

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**(Prepared Pursuant to GASB Statement No. 34
"New Financial Reporting Model")**

AS OF AND FOR THE YEAR ENDED JUNE 30, 2002

Kim Reese
President

Cynthia A. Gillespie
Superintendent

William L. Endris, Jr.
Director of Finance

Prepared by the Department of Finance

**Vernon Parish School Board
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(Concluded)

INTRODUCTORY SECTION

President
Kim Reese

Superintendent
Dr. Cynthia A. Gillespie

Vice-President
Willis A. Farris

Vernon Parish School Board

201 Belview Road
LEESVILLE, LOUISIANA 71446
(337) 239-3401
Fax (337) 238-5777

BOARD MEMBERS:

District One
A.C. "Chuck" Dowden, Jr.
M. Gene Haymon
Jane Holton
C.A. Hughes
Ted Paris
Kim Reese
Mark H. Smith
Linda West
Betty Westerchil

District Two
W.W. "Bill" Parker

District Three
Willis A. Farris

District Four
Murphy O'Banion

District Five
B.R. Harvey

District Six
Philip L. Gunn

District Seven
Gaye McKee

Transmittal Letter

September 13, 2002

Ms. Kim Reese, President
and Members of the Board
Vernon Parish School Board
Leesville, Louisiana

Dear President and Members of the Board:

The Comprehensive Annual Financial Report of the Vernon Parish School Board (School Board) for the year ended June 30, 2002, is submitted herewith. This report has been prepared by Finance Department personnel following the guidelines recommended by the Association of School Business Officials International and the Government Finance Officers Association of the United States and Canada. The School Board has elected early implementation of Governmental Accounting Standards Board Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." Statement No. 34 requires a Management's Discussion and Analysis (MD&A) be included as required supplemental information.

A. Management Responsibility Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School Board. All disclosures necessary to enable the reader to gain an understanding of the School Board's financial activities have been included.

B. CAFR The Comprehensive Annual Financial Report (CAFR) consists of three parts:

(1) The Introductory Section. This section includes a transmittal letter, the School Board's organizational chart, recognition of the elected officials of the School Board and a list of selected administrative officials.

(2) The Financial Section. The financial section consists of Management's Discussion and Analysis, basic financial statements, required supplemental information, and combining non-major and individual fund statements and schedules. The basic financial statements present both an overview and a broad long-term perspective of the School Board as a whole in the government-wide financial statements.

Combining statements are presented when a School Board has at least one nonmajor fund of a given fund category. Various statements are also used to demonstrate finance-related legal and contractual compliance, present other information deemed useful, and provide details of data summarized in the financial statements.

"An Equal Opportunity Employer"

(3) The Statistical Section. Included in this section are a number of tables of unaudited data depicting the financial history, demographics and other miscellaneous information of the Vernon Parish School Board for the past ten years.

The School Board is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U. S. Office of Management and Budget Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. Information related to this single audit includes the Schedule of Expenditures of Federal Awards, findings and recommendations, if applicable, and auditors' reports on internal control and compliance with applicable laws and regulations. The single audit report is issued separately from this Comprehensive Annual Financial Report.

The School Board provides a full range of educational services appropriate to grade levels K through 12. These include providing instructional personnel, instructional materials, instructional facilities, child nutrition, administrative support, business services, systems operations, plant maintenance and bus transportation. These basic services are supplemented by a wide variety of offerings in the fine arts and athletics.

C. Reporting Entity The report includes all entities or organizations that are required to be included in the School Board's reporting entity. The basic criteria for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a governmental unit's reporting entity is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and either the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity.

The financial statements present the Vernon Parish School Board (the primary government). Based on the above criteria there are no component units included in the School Board's reporting entity.

D. Internal Control Management of the School Board is responsible for establishing and maintaining internal control designed to ensure that the assets of the School Board are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

We believe the School Board's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local financial assistance, the School Board also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs.

As a part of the School Board's single audit, described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards programs, as well as to determine that the School Board has complied with applicable laws and regulations. The results of the School Board's single audit for the fiscal year ended June 30, 2001, provided no instances of material weaknesses in internal control or significant violations of applicable laws and regulations.

E. Budgetary Controls In addition, the School Board maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the general fund and special revenue funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function by fund. School Board policy provides that expenditures within a fund may not exceed appropriations by more than five percent. Revisions to the budget enacted require School Board approval.

As demonstrated by the statements and schedules included in the financial section of this report, the School Board continues to meet its responsibility for sound financial management.

F. Cash Management Cash temporarily idle during the year was invested in demand deposits, a U. S. government security, and the Louisiana Asset Management Pool (LAMP) administered by the state Treasurer. The School Board earned interest revenue of \$307,077 on all investments for the year ended June 30, 2002.

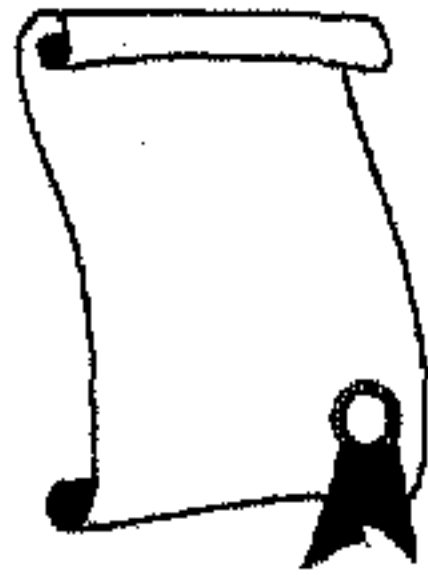
The School Board's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits in financial institutions were collateralized by instruments issued by the United States Government or federal government agencies created by an act of congress or insured by the Federal Deposit Insurance Corporation.

G. Risk Management The School Board maintains a combination of self-insurance and stop-loss coverage for workers' compensation insurance. Third-party coverage is currently maintained for individual workers' compensation claims in excess of \$200,000.

H. Service Efforts and Accomplishments

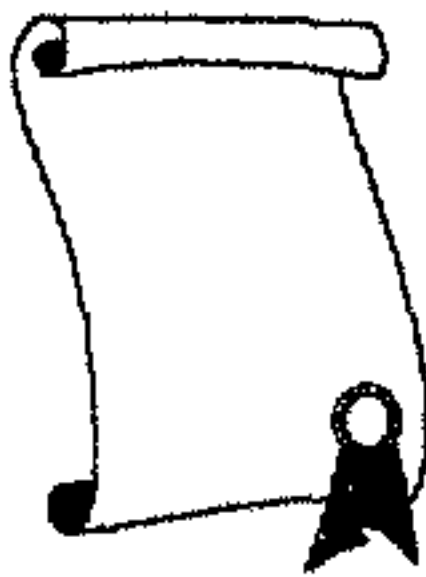
- ★ The K-3 *Reading and Mathematics Initiative* has impacted our efforts to assure that every child is able to read on grade level and utilize mathematics concepts on level by the end of the third grade. After-school and summer tutoring programs are meeting the needs of our at-risk learners. K-3 funds have allowed us to greatly expand the Accelerated Reader program in our elementary schools.
- ★ All schools have developed comprehensive improvement plans to provide direction for future curriculum, staff development, assessment, and technology improvements. To support these comprehensive school plans, our central office staff developed district improvement plans. Our School Board supported all the plans by developing its own strategic goals. Much progress has been made in meeting the objectives addressed in these plans. Staff development in our schools is targeted to help schools meet these goals.
- ★ All new teachers to our system were given one day of intensive induction. The teachers received training in classroom management, parish and state policies, and special programs appropriate for their grade levels and/or their subject area. Most of our new teachers also go through the Louisiana Teacher Assistance and Assessment Program. New teachers are paired with a mentor and given two years of support.
- ★ The State of Louisiana has implemented "Reading for Results," a high-stakes testing policy. Teachers are working to prepare students for tests, which are rigorous, standards-driven, and high stakes for students.
- ★ Vernon Parish cares about education and has a tradition of pride in its schools. That tradition will be continued through a commitment to innovation in learning programs. We must continue to seek out new methods to ensure success for every student.
- ★ Vernon Parish School Board receives federal Impact Aid funding due to the Fort Polk military installation being located in Vernon Parish. The amount of aid received can fluctuate. This uncertainty provides a challenge in addressing the problems shared by many school systems across America - teachers' salaries and school plant improvement. Effective and decisive leadership will be required to address these problems given the fluctuation in Impact Aid funding.

I. Independent Audits The report of our independent certified public accountants, Allen, Green & Company, LLP, follows as an integral component of this report. Their audit of the basic financial statements and accompanying combining and individual fund statements and schedules was performed in accordance with auditing standards generally accepted in the United States of America and, accordingly, included a review of the School Board's system of budgetary and accounting controls.



J. Awards The Government Finance Officers Association (GFOA) of the United States and Canada issues a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (ASBO) issues a Certificate of Excellence in Financial Reporting to governments for their Comprehensive Annual Financial Report (CAFR). To be awarded these certificates, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. These certificates are valid for a period of one year only.

The School Board was awarded the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the years ended June 30, 1998, 1999, 2000, and 2001.



The School Board received the Association of School Business Officials International Certificate of Excellence in Financial Reporting for the fiscal years ended June 30, 1998, 1999, 2000, and 2001. The awards certified that the Comprehensive Annual Financial Report for these fiscal years substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials.

Management believes that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2002, which will be submitted to GFOA and ASBO for review, continues to conform to the principles and standards of each organization.

K. Acknowledgments The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Department of Finance. We want to express our appreciation to them for their assistance. We also thank the members of the School Board for their interest and support in planning and conducting the financial operations of the school system in a responsible and progressive manner.

Cynthia A. Gillespie
Superintendent

William L. Endris, Jr.
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Vernon Parish School
Board, Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2001

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

VERNON PARISH SCHOOL BOARD

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2001

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

Clark J. Gaskill

President

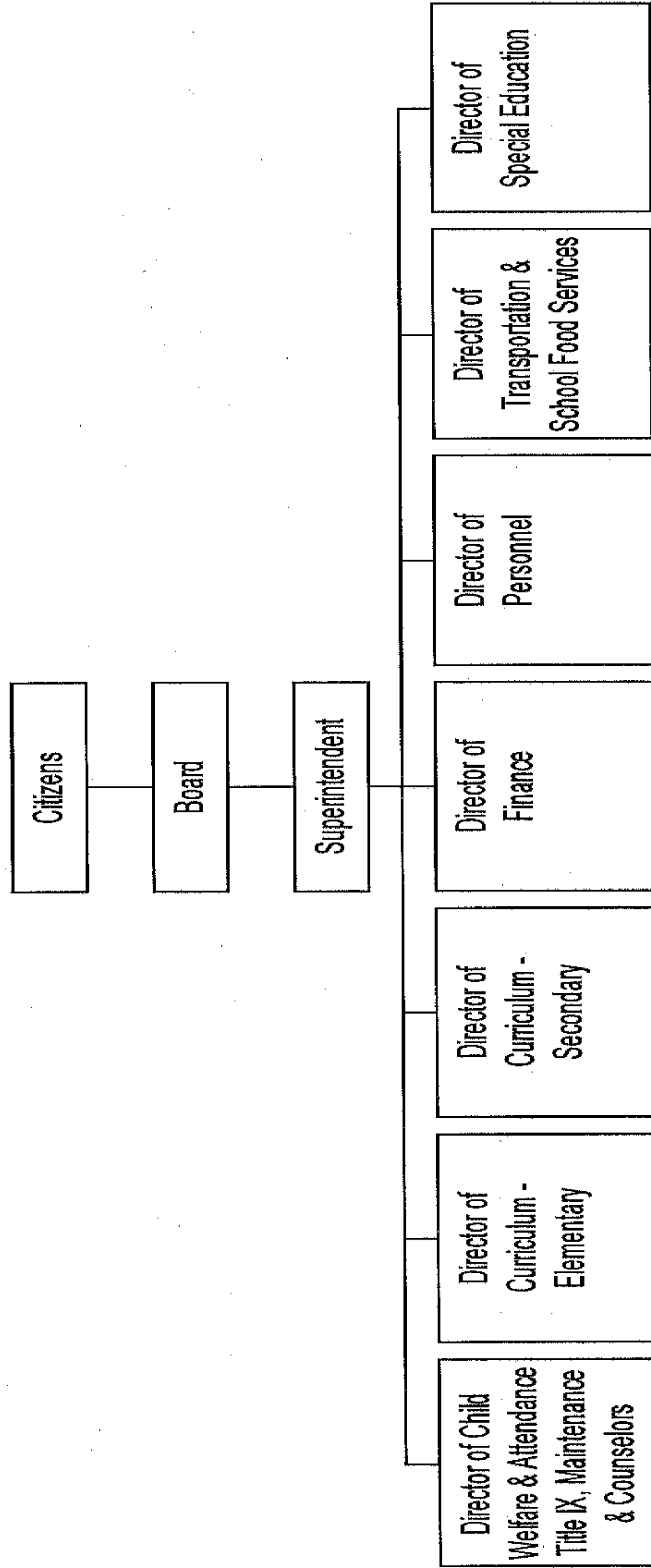
Anna W. Miller

Executive Director

Vernon Parish School Board

Organization Chart

June 30, 2002



Vernon Parish School Board

**Elected Officials
June 30, 2002**

<u>Board Member</u>	<u>District</u>
Kim Reese, President	1
Alvin C. "Chuck" Dowden, Jr.	1
Willis A. Farris	3
Philip L. Gunn	6
B. R. Harvey	5
M. Gene Haymon	1
Jane Holton	1
C. A. Hughes	1
Gaye McKee	7
Murphy O'Banion	4
Ted Paris	1
W. W. "Bill" Parker	2
Mark H. Smith	1
Betty Westerchil	1

Vernon Parish School Board

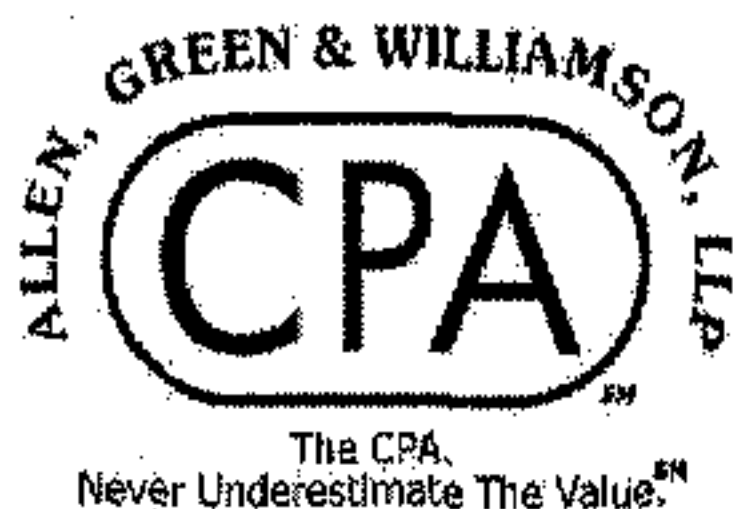
**Selected Administrative Officials
June 30, 2002**

Cynthia A. Gillespie	Superintendent
William L. Endris, Jr.	Director of Finance
Dottie Neugebauer	Director of Special Education
Tom Neubert	Director of Child Welfare and Attendance, Title IX, Maintenance and Counselors
Jackie Self	Director of Personnel
Jimmie Funderburk	Director of Transportation and School Food Service
Anne Smith	Director of Curriculum - Elementary
John Farris	Director of Curriculum - Secondary

Vernon Parish School Board



FINANCIAL SECTION



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2414 Ferrand Street
Monroe, LA 71201

Phone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205
www.allengreencpa.com

Tim Green, CPA

Margie Williamson, CPA

Ernest L. Allen, CPA
(Retired)
1963 - 2000

INDEPENDENT AUDITORS' REPORT

Board Members

Vernon Parish School Board

Leesville, Louisiana

Basic Financial Statements We have audited the accompanying *basic financial statements* of Vernon Parish School Board as of and for the year ended June 30, 2002, as listed in the table of contents. These basic financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the *basic financial statements* referred to above present fairly, in all material respects, the financial position of the School Board as of June 30, 2002, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued under separate cover, our report dated September 13, 2002, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Required Supplemental Information The Management's Discussion and Analysis and the Budgetary Comparison Schedules are not a required part of the *basic financial statements* but is supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

Supplemental Information Our audit was performed for the purpose of forming an opinion on the *basic financial statements* of the School Board, taken as a whole. The accompanying information identified in the table of contents as supplemental information is presented for purposes of additional analysis and is not a required part of the *basic financial statements*. Such information has been subjected to the auditing procedures applied in the audit of the *basic financial statements* and, in our opinion, is fairly stated, in all material respects, in relation to the *basic financial statements* taken as a whole.

Other Information The information identified in the table of contents as the Introductory and Statistical Sections are presented for purposes of additional analysis and is not a required part of the *basic financial statements* of the School Board. Such information has not been subjected to the auditing procedures applied in the audit of the *basic financial statements* and, accordingly, we express no opinion on it.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

September 13, 2002

REQUIRED SUPPLEMENTAL INFORMATION:

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

Vernon Parish School Board
Management's Discussion and Analysis (MD&A)

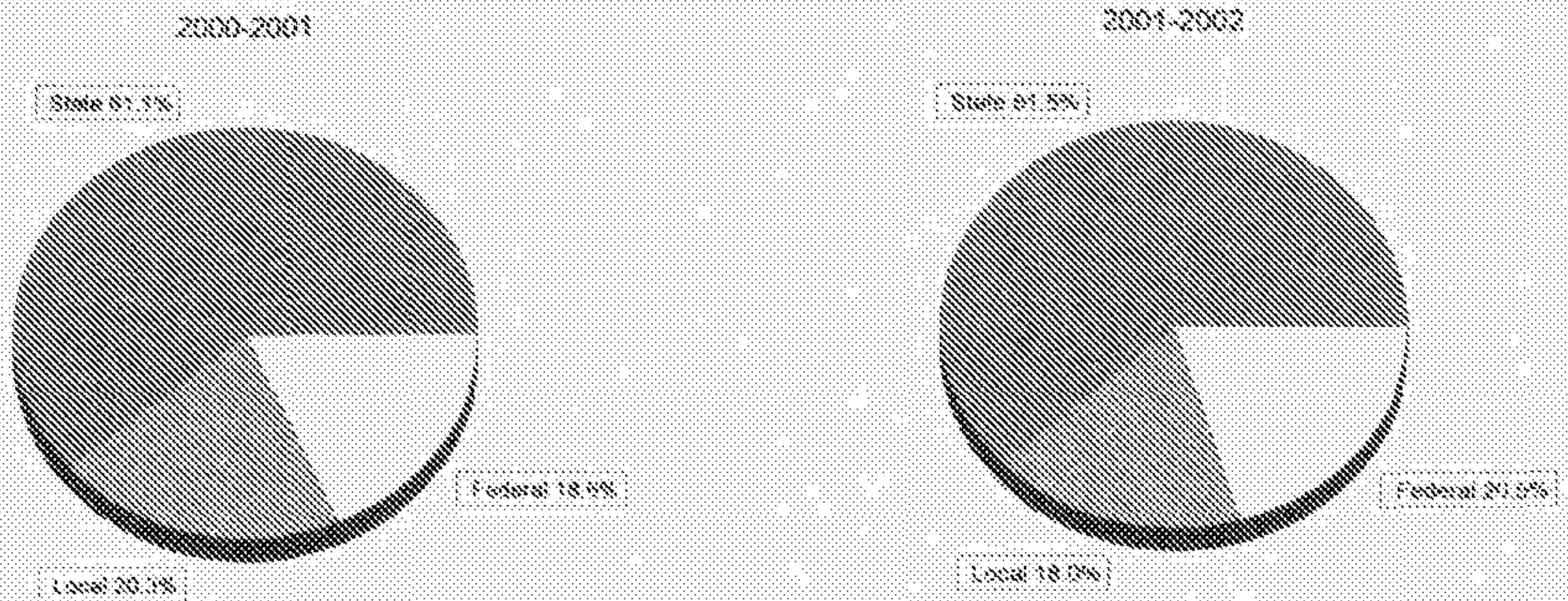
Our discussion and analysis of Vernon Parish School Board's financial performance provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2002. Please read it in conjunction with the transmittal letter included in the introductory section of this report and the School Board's financial statements, which follows this Management's Discussion and Analysis.

The economy of Vernon Parish is driven primarily by the Fort Polk military installation, the fifth largest such facility in the nation. More than half the work force of Vernon Parish is comprised of active duty military personnel, and civilians are also employed by the base. Aside from its \$899 million annual direct economic impact on Vernon Parish, Fort Polk indirectly influences the surrounding parishes' economy as well. One-third of the population of Vernon Parish is comprised of military personnel or their families living on- or off-base. This influx of career- and family-age population gives the area a relatively low median age, a factor which appeals to companies seeking to build industrial and manufacturing establishments. The large military population has also drawn specialists to both Bayne-Jones Army Community Hospital and civilian medical practice, giving the Vernon Parish area substantially better medical and health care technology.

FINANCIAL HIGHLIGHTS Our financial statements provide these insights into the results of this year's operations:

This year, the primary resources available to the school system are local revenues, primarily tax receipts, which total \$12.2 million or 18.0% of the total; state revenues, primarily minimum foundation funding (equalization) program and special grants, totaling \$41.7 million or 61.5% of the total, and federal funds, primarily impact aid and special grants totaling \$13.9 million or 20.5%. Last year, local revenues were \$13.3 million or 20.3% of the total, while state revenues were \$40.1 million or 61.1%, and federal revenues were \$12.2 million or 18.6%.

TOTAL REVENUES BY SOURCE



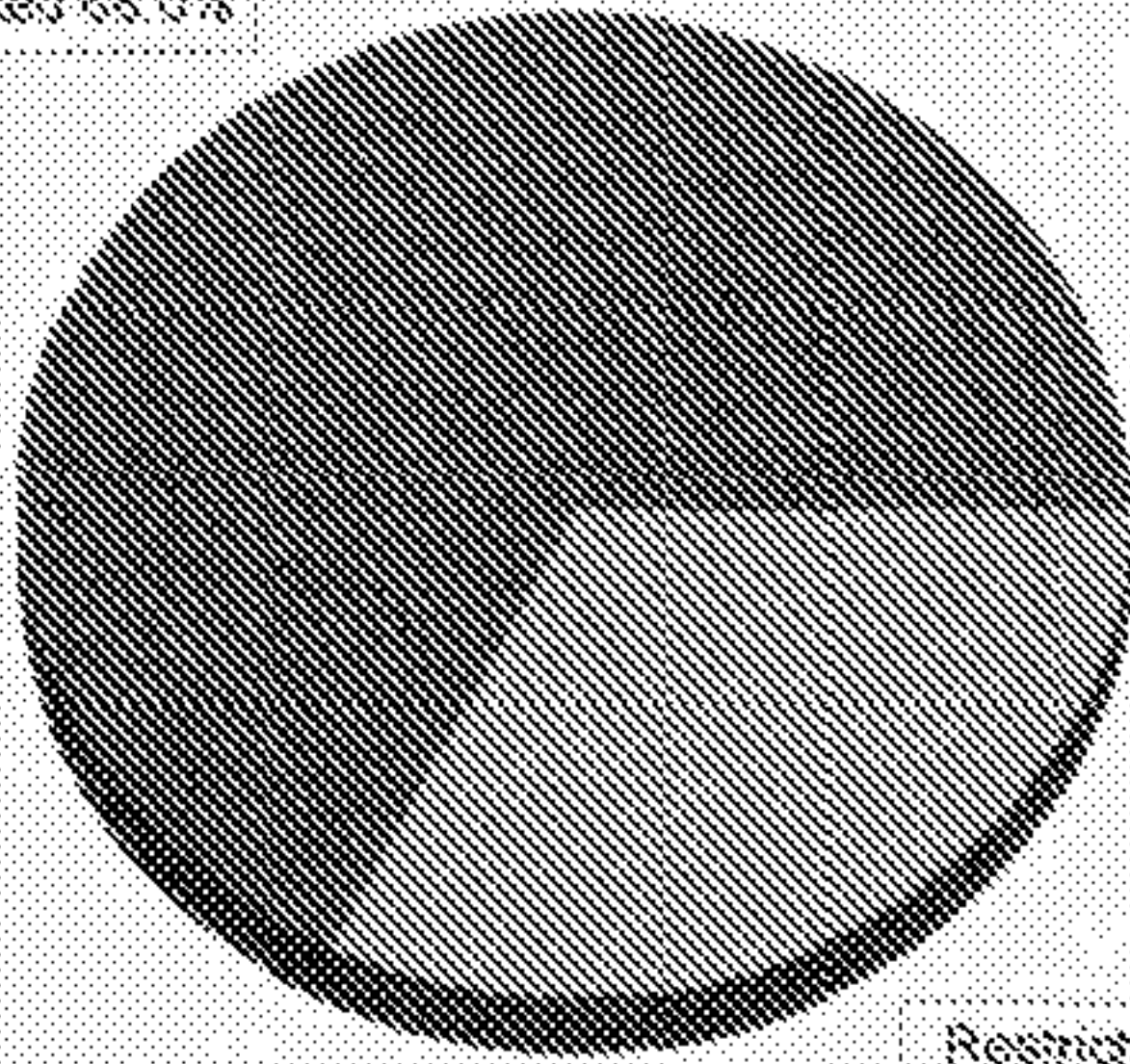
Of the total \$67.8 million revenues received by the school system this year, \$21.0 million or 31% is restricted. Unrestricted revenues were \$46.8 million or 69%. Last year total revenue was \$65.6 million, of which total \$21.1 million or 32% was restricted revenue and \$44.5 million or 68% was unrestricted revenue.

Vernon Parish School Board
Management's Discussion and Analysis (MD&A)

RESTRICTED VS. UNRESTRICTED REVENUES

2000-2001

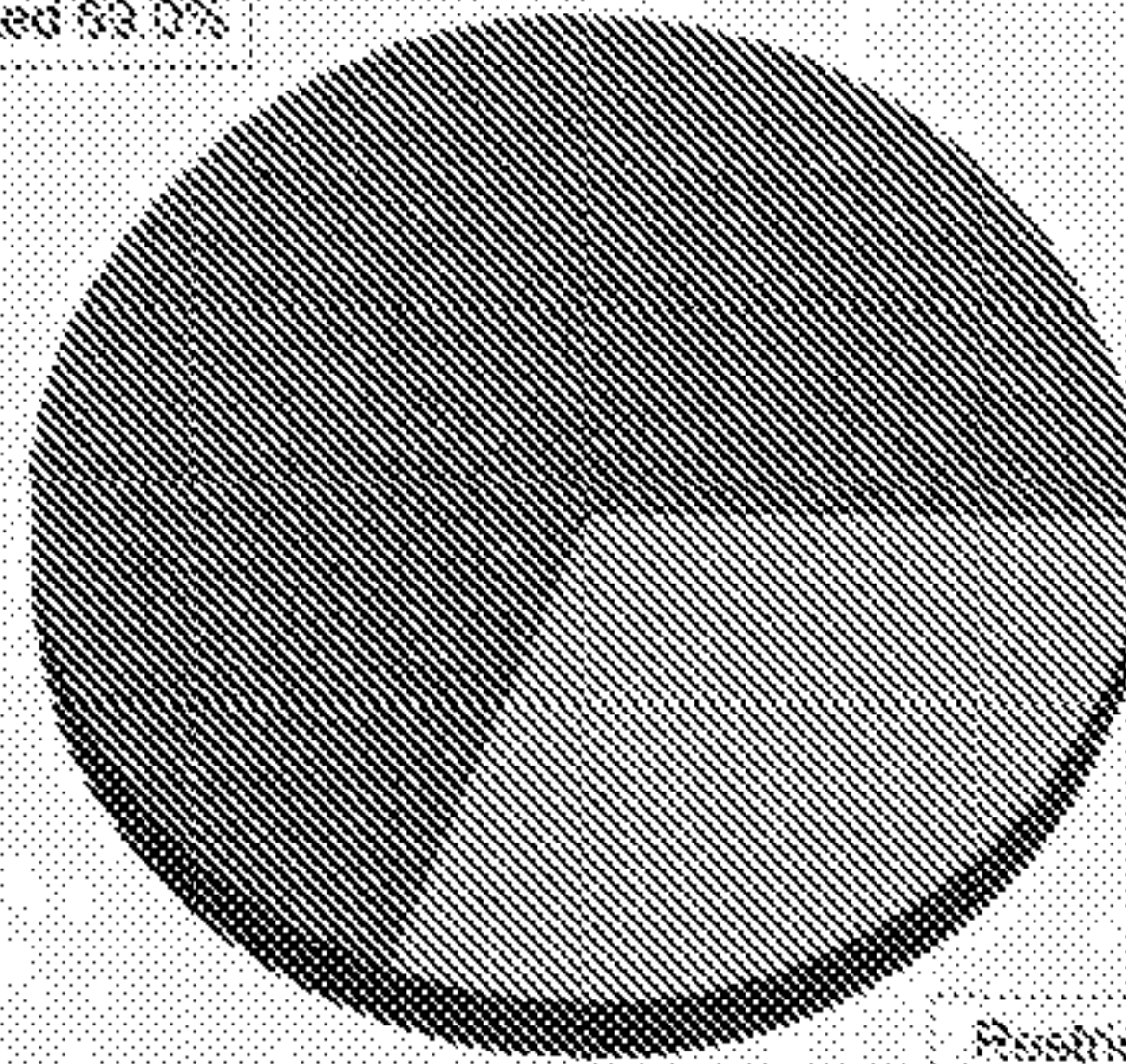
Unrestricted 68.0%



Restricted 32.0%

2001-2002

Unrestricted 69.0%

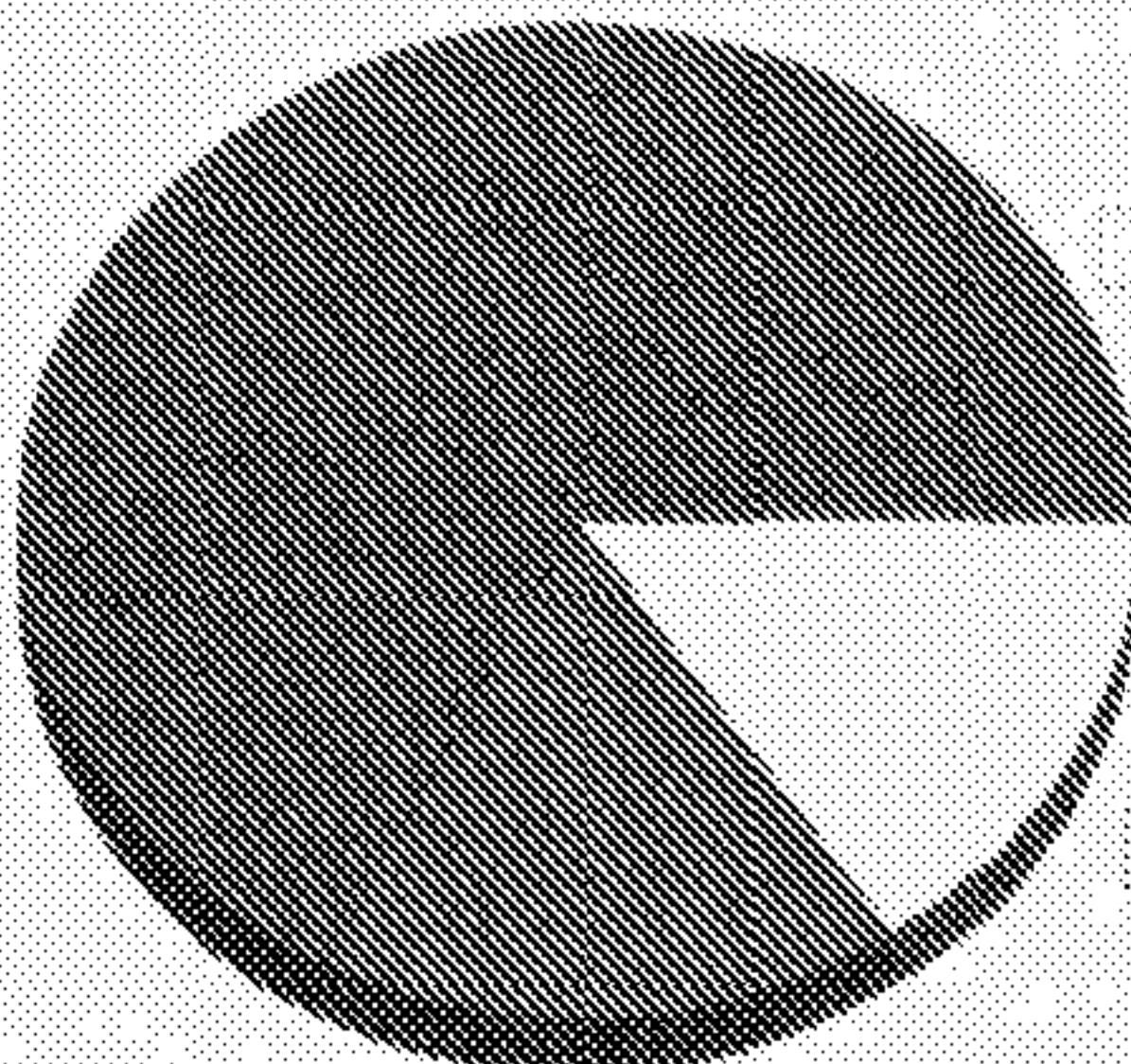


Restricted 31.0%

Of the unrestricted amount of \$46.8 million in 2001-2002, \$32.6 million or 69.6% was spent for salaries, \$8.7 million or 18.5% was spent for employee benefits, \$5.5 million or 11.9% for other functions of the school system. Of the unrestricted amount of \$44.5 million in 2000-2001, \$30 million or 67.4% was spent for salaries, \$7.6 million or 17.1% was spent for employee benefits, and \$6.9 million or 15.5% was spent for other functions of the school system.

USES OF UNRESTRICTED REVENUE

2000-2001

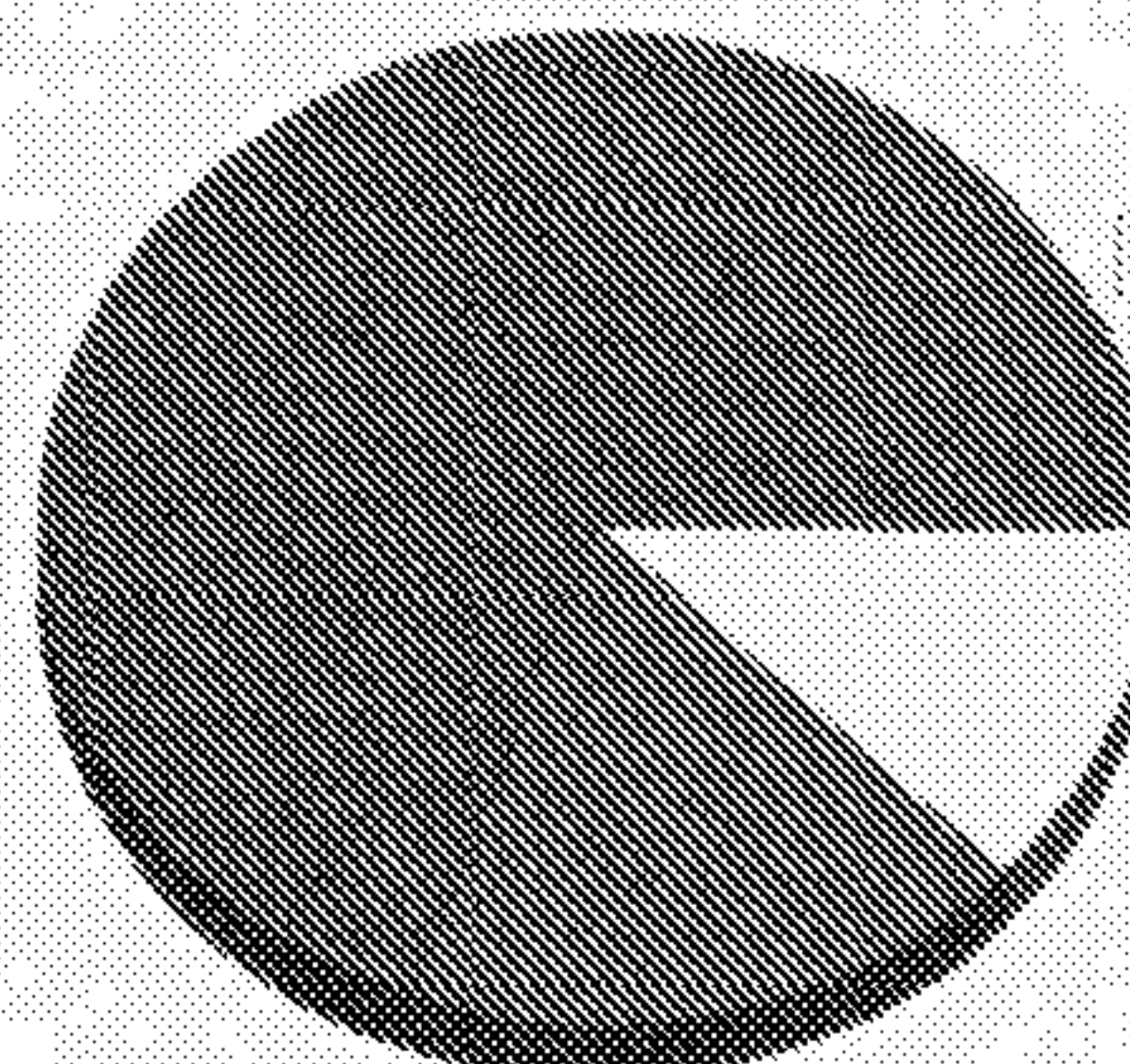


Salaries 67.4%

Other 15.5%

Benefits 17.1%

2001-2002



Salaries 69.6%

Other 11.9%

Benefits 18.5%

Vernon Parish School Board
Management's Discussion and Analysis (MD&A)

FUND FINANCIAL STATEMENTS

The fund balances of all governmental funds showed an increase of \$452,346. The general fund, the only major fund of the School Board, showed an increase of \$1,158,152 due primarily to an increase in unrestricted federal revenues of \$1,122,482. There was a decrease in the fund balance for capital projects of \$507,416 since the Hornbeck construction project was completed. The debt service fund balance decreased by \$227,262 which was a planned decrease to use excess fund balances to pay off current obligations. Fund balances in maintenance funds and other special revenue funds remained fairly consistent with last year balances.

Total revenue for all governmental funds for the current year was \$67.8 million, an increase of \$2.2 million from the prior year. Total expenditures of \$67.4 million for the current year was an increase of \$4.1 million over last year.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Most of the School Boards taxes and State Minimum Foundation Program funds were used to support the net cost (after deducting restricted grants and fees charged to users) of these four areas: instruction \$34.6 million or 60.2%, plant services \$5.8 million or 10%, transportation \$4.3 million or 7.5% and other functions \$12.8 million or 22.3%. The changes between these areas and the prior year were: instruction -1.2%, plant services -.2%, transportation .2% and other functions 1.2%.

Our budgeted revenues for the 2002-2003 year include a 3.7% decrease in budgeted revenues and a 2.7% decrease in budgeted expenditures. The decrease in budgeted revenues and expenditures is primarily due to competitive grants not being included in the original budget. The School Board is mandated by state law to adopt its budget by September 15 of each year. This original budget is based on a "bare bones" approach that reflects only guaranteed revenues and necessary expenditures since the major sources of revenues, i.e., minimum foundation program and impact aid, are based on October 1 student enrollment figures. The original budget figures are amended when revenues or expenditures exceed 5% of estimate.

USING THIS ANNUAL REPORT The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. Our fund financial statements are included later in this report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant fund, the general fund. The remaining statement - the Statement of Fiduciary Net Assets presents financial information about activities for which the School Board acts solely as an agent for the benefit of students and parents.

Comprehensive Annual Financial Report

Introductory Section

Transmittal Letter
Certificates of Excellence in Financial Reporting
Organization Chart
Elected Officials and Selected Administrative Officers

Financial Section

(Details outlined in the next chart)

Statistical Section

Ten Years of Historical Financial Operating Data
Ten Years of Property Tax Rates, Tax Levies and Collections
Bonded Debt Information (including Bonded Debt Per Capita
and Computation of Legal Debt Margin)
Property Values, Construction and Bank Deposits
Principal Employers and Ad Valorem Taxpayers
Demographics and Attendance Data

(Refer to the Table of Contents in the front
of this report for more details and the specific
location of items identified above)

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)**

Financial Section

Required Supplemental Information

Management's Discussion & Analysis (MD&A)

Basic Financial Statements

**Government-wide
Financial Statements**



**Fund
Financial Statements**

Notes to the Basic Financial Statements

Required Supplemental Information

Budgetary Information for Major Funds

Supplemental Information

Nonmajor Funds Combining Statements & Budgetary Information
Agency Funds Statements/Schedules
Capital Assets by Source and Function
Schedule of Compensation Paid Board Members

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance is being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

Reporting the School Board as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the School Board as a whole begins with the government-wide financial statements. One of the most important questions asked about the School Board is, "Is the School Board as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities, which appear first in the School Board's financial statements, report information on the School Board as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Vernon Parish School Board
Management's Discussion and Analysis (MD&A)

These two statements report the School Board's net assets - the difference between assets and liabilities, as reported in the Statement of Net Assets - as one way to measure the School Board's financial health, or financial position. Over time, increases or decreases in the School Board's net assets - as reported in the Statement of Activities - are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the School Board's operating results. However, the School Board's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools to assess the overall health of the School Board.

The Statement of Net Assets and Statement of Activities report the following activity for the School Board:

Governmental activities - All of the School Board's services are reported here, including instruction, plant services, transportation, and food services. Property taxes, sales taxes, Minimum Foundation Program funds, and state and federal grants finance most of these activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statements

The School Board's fund financial statements provide detailed information about the most significant funds - not the School Board as a whole. Some funds are required to be established by State law and by bond covenants. However, the School Board establishes many other funds to help it control and manage money for particular purposes (like the School Food Service) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants the School Board receives from the U.S. Department of Education). The School Board's governmental funds use the following accounting approach:

Governmental funds - All of the School Board's services are reported in governmental funds. Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year-end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School Board's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation on Statements D and F.

The School Board as Trustee

Reporting the School Board's Fiduciary Responsibilities

The School Board is the trustee, or fiduciary, for its student activities funds, scholarship fund and the sales tax fund. All of the School Board's fiduciary activities are reported in the Statements of Fiduciary Net Assets. We exclude these activities from the School Board's other financial statements because the School Board cannot use these assets to finance its operations. The School Board is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Vernon Parish School Board
Management's Discussion and Analysis (MD&A)

THE SCHOOL BOARD AS A WHOLE The School Board's net assets were \$21.8 million at June 30, 2002. Of this amount, \$4.3 million was unrestricted. Restricted net assets are reported separately to show legal constraints from debt covenants and enabling legislation that limit the School Board's ability to use those net assets for day-to-day operations. Our analysis below focuses on the net assets (Table 1) and change in net assets (Table 2) of the School Board's governmental activities.

Table 1
Net Assets
(in millions)
June 30,

	<u>Governmental Activities</u>	
	<u>2002</u>	<u>2001</u>
Current and other assets	\$ 14.6	\$ 14.1
Capital assets	<u>24.2</u>	<u>24.7</u>
Total assets	<u>38.8</u>	<u>38.8</u>
Current and other liabilities	(6.8)	(7.2)
Long-term liabilities	<u>(9.8)</u>	<u>(10.7)</u>
Total liabilities	<u>(16.6)</u>	<u>(17.9)</u>
Net assets		
Invested in capital assets, net of debt	14.7	15.3
Restricted	2.8	3.5
Unrestricted	<u>4.3</u>	<u>2.1</u>
Total net assets	<u>\$ 21.8</u>	<u>\$ 20.9</u>

The \$4.3 million in unrestricted net assets of governmental activities represents the accumulated results of all past years' operations. It means that if we had to pay off all of our bills today including all of our noncapital liabilities (compensated absences for example), we would have \$4.3 million left.

The results of this year's operations for the School Board as a whole are reported in the Statement of Activities. Table 2, below, takes the information from that Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues for the year.

Vernon Parish School Board
Management's Discussion and Analysis (MD&A)

Table 2
Changes in Net Assets
(in millions)
For the Years Ended June 30,

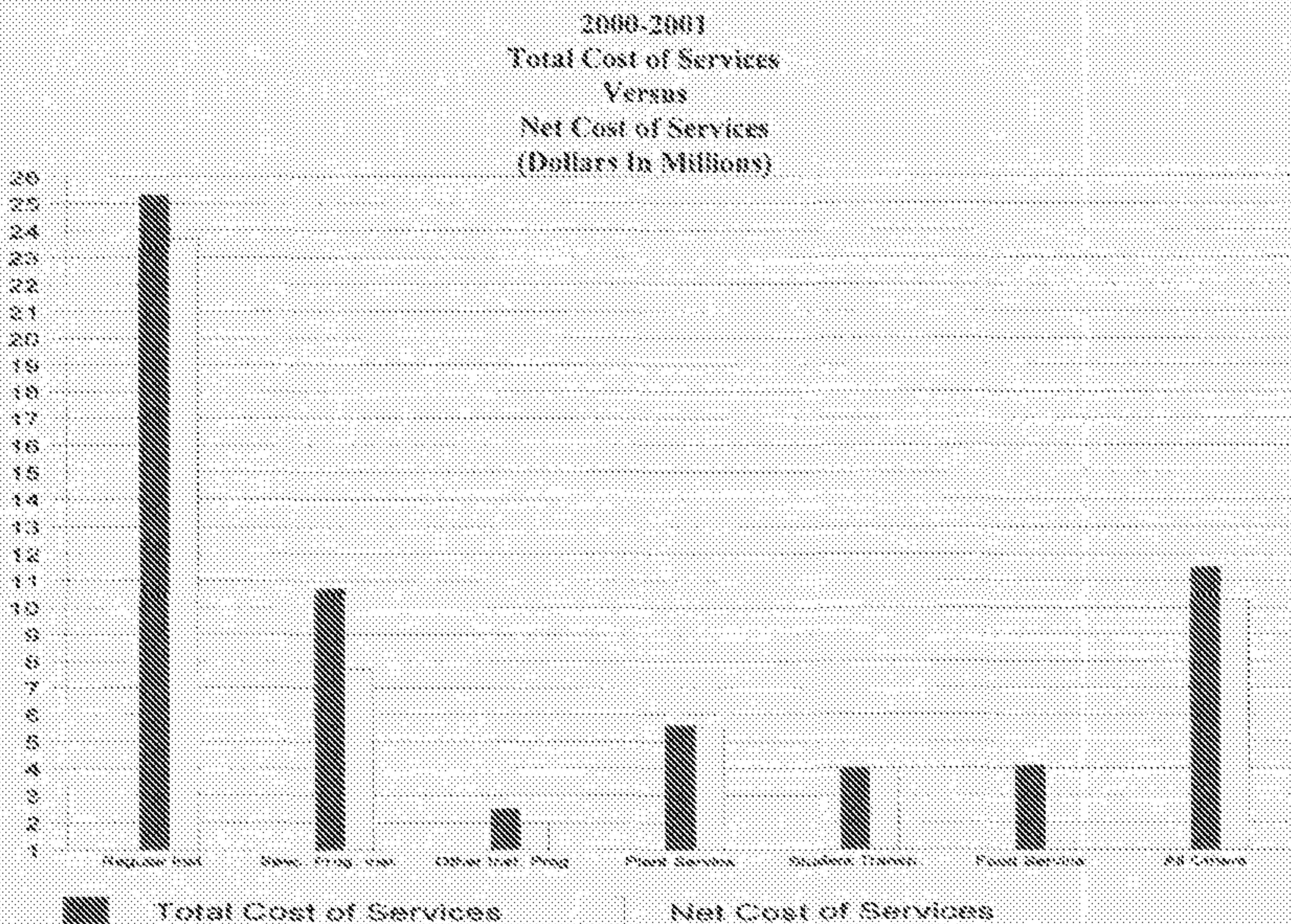
	<u>Governmental Activities</u>	
	<u>2002</u>	<u>2001</u>
Net Assets - beginning	<u>\$20.9</u>	<u>\$19.2</u>
Revenues:		
Program revenues		
Charges for services	0.8	0.7
Federal grants	7.0	7.0
State grants and entitlements	1.4	1.5
General Revenues		
Ad valorem taxes	3.2	3.3
Sales taxes	7.3	7.9
State equalization	39.7	38.2
Other general revenues	<u>8.3</u>	<u>6.8</u>
Total revenues	<u>67.7</u>	<u>65.4</u>
Functions/Program Expenses:		
Instruction		
Regular programs	26.9	25.3
Special programs	11.2	10.7
Other instructional programs	2.6	2.5
Support services		
Student services	2.6	2.4
Instructional staff support	2.4	2.4
General administration	1.4	1.4
School administration	3.6	3.7
Business services	0.5	0.5
Plant services	5.9	5.6
Student transportation services	4.3	4.0
Central services	0.6	0.5
Food Services	4.3	4.1
Community services programs	0.0	0.0
Interest on long-term debt	<u>0.5</u>	<u>0.6</u>
Total expenses	<u>66.8</u>	<u>63.7</u>
Increase (decrease) in net assets	<u>0.9</u>	<u>1.7</u>
Net Assets - ending	<u>\$21.8</u>	<u>\$20.9</u>

Governmental Activities As reported in the Statement of Activities included later in the government-wide financial statements, the cost of all of our governmental activities this year was \$66.8 million. However, the amount that our taxpayers ultimately financed for these activities through School Board taxes was only \$57.5 million because some of the cost was paid by those who benefitted from the programs (\$.8 million) or by other governments and organizations who subsidized certain programs with grants and contributions (\$8.4 million). We paid for the remaining "public benefit" portion of our governmental activities with \$10.5 million in taxes, \$39.7 million in state Minimum Foundation Program funds, \$6.0 million in Impact Aid funding, and with our other revenues, like interest and general entitlements.

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)**

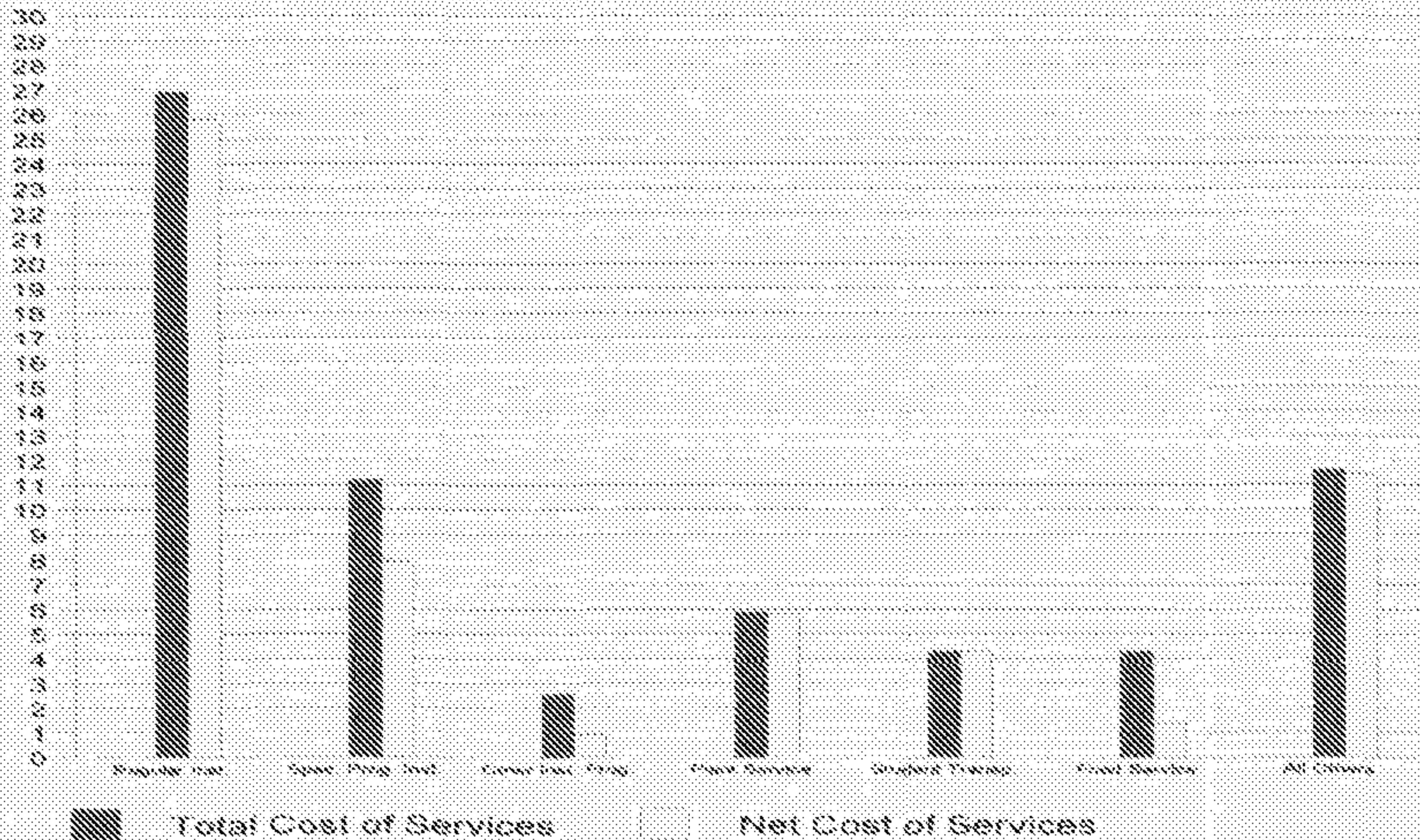
In the table below, we have presented the cost of each of the School Board's six largest functions - regular programs instruction, special instruction programs, other instructional programs, plant services, student transportation services, and school food services, as well as each program's net cost (total cost less revenues generated by the activities). As discussed above, net cost shows the financial burden that was placed on the School Board's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	Years Ended June 30, (in millions)			
	Governmental Activities			
	Total Cost of Services		Net Cost of Services	
	2002	2001	2002	2001
Regular programs instruction	\$26.9	\$25.3	\$25.8	\$23.7
Special programs instruction	11.2	10.7	7.9	7.7
Other instructional programs	2.6	2.5	0.9	2.0
Plant services	5.9	5.6	5.8	5.5
Student transportation services	4.3	4.0	4.3	4.0
Food services	4.3	4.1	1.4	1.3
All others	11.6	11.3	11.4	10.2
Totals	\$66.8	\$63.7	\$57.5	\$54.5



**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)**

**2001-2002
Total Cost of Services
Versus
Net Cost of Services
(Dollars in Millions)**



Revenues increased \$2.2 million in the current year as compared to the prior year. This increase was due primarily to an increase in the Minimum Foundation Program (the state's primary support source for school funding) of \$1.5 million; and an increase in Impact Aid and Department of Defense revenues (generated to help fund the school system for our large military dependent student population) of \$1.7 million. There was a decrease in tax receipts for the debt service funds of \$.2 million since there were adequate reserves in fund balances to meet all obligations and millage rates were reduced. There was also a decrease in sales tax collections of \$.7 million which was offset by a corresponding decrease in sales tax salary expenditures.

Except as noted earlier, expenses remained relatively constant this year as compared to last year.

THE SCHOOL BOARD'S FUNDS As we noted earlier, the School Board uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the School Board is being accountable for the resources taxpayers and others provide to it but may also give you more insight into the School Board's overall financial health.

As the School Board completed this year, our governmental funds reported a combined fund balance of \$7.5 million.

Other significant changes in revenues and expenditures which affected fund balances were:

The general fund is our principal operating fund. The fund balance in the general fund increased by \$1.2 million, with the following events occurring in addition to the \$1.5 million increase in state equalization funding, the \$.7 million decrease in sales tax collections, and the impact aid increase of \$1.7 million:

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)**

- a decrease in investment income of \$103,000 due to lower interest rates.
- an increase in funding of \$147,000 offset by an equal expenditure amount due to funding grants from The Rapides Foundation.
- a decrease of \$152,727 in E-RATE funds which were unrestricted revenues.
- an increase of \$73,000 8-g funding from the state offset by an equal expenditure amount.
- an increase in sale of timber revenues of \$98,000 which were unrestricted.
- a decrease of \$269,000 in natural gas and electricity expenditures.
- an increase of \$2.6 million in mandated teacher pay raises.

There were no significant changes in special revenue funds.

The debt service funds, as noted above showed a decreasing balance since millage rates were reduced in order to use accumulated fund balances to pay off current obligations.

Capital projects in Hornbeck school district (\$600,000) and in Ward 6 (\$450,000) were completed this year.

The voters in Ward 1 have also passed an issue for \$5.5 million in roof repairs, air conditioning, two multi purpose buildings and a high school track with completion scheduled to be by June 30, 2003.

General Fund Budgetary Highlights As mentioned earlier, the School Board revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. (A schedule showing the School Board's original and final budget amounts compared with actual amounts paid and received is provided later in this report as Required Supplemental Information.)

There were significant revisions made to the 2001-2002 general fund original budget. Budgeted revenues were increased \$5.9 million primarily due to the following:

An increase of \$.4 million in sales tax receipts because only minimum amount required to pay salaries was budgeted originally;

An increase of \$2.8 million in minimum foundation state funds was received due to an unexpected increase in state funding;

Impact Aid Funding appropriations were higher than expected of \$2.6 million.

Budgeted expenditures were increased by \$4.5 million due to the following changes;

An increase in sales tax receipts of \$.4 million (noted above) generated an increase in salaries of the same amount;

An increase in salaries of \$2.6 million due to an unbudgeted state raise for teachers.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets At June 30, 2002, the School Board had \$24,238,397 invested in a broad range of capital assets, including land, buildings, and furniture and equipment. This amount represents a net decrease (including additions, deductions and depreciation) of just over \$440,527, or two percent, from last year.

**Vernon Parish School Board
Management's Discussion and Analysis (MD&A)**

Capital Assets at Year-end

	<u>Governmental Activities</u>	
	<u>2002</u>	<u>2001</u>
Land	\$ 1,136,870	\$ 1,136,870
Buildings	20,831,283	21,119,752
Furniture and Equipment	<u>2,270,244</u>	<u>2,422,302</u>
Totals	<u>\$24,238,397</u>	<u>\$24,678,924</u>

This year's additions of \$1,210,221 included bleachers of \$60,000, vehicles of \$231,865, Hornbeck building improvements of \$500,000, track \$99,000 and other equipment of \$319,356.

Major capital projects are planned for the 2002-2003 fiscal year since (as noted earlier) the voters in Ward 1 have also passed an issue for \$5.5 million in roof repairs, air conditioning, two multi purpose buildings and a high school track with completion scheduled to be by June 30, 2003. We anticipate that all other capital additions will be comparable to the 2001-2002 fiscal year. We present more detailed information about our capital assets in the notes to the financial statements.

DEBT ADMINISTRATION At June 30, 2002, the School Board had \$8,374,811 in general obligation bonds outstanding with maturities from 2003 to 2022 with interest rates ranging from 1.00 to 7.75 percent. Under state statute, the School Board is legally restricted from incurring long-term bonded debt in excess of 35% of the assessed value of taxable property. At June 30, 2002, the School Board's net bonded debt of \$7,102,908 (total bonded debt of \$8,374,811 less assets in debt service funds of \$1,271,903) was well below the legal limit of \$40,654,961.

	<u>Amount</u>	<u>Ratio of Debt to Assessed Value</u>	<u>Debt per Capita</u>
Net direct general obligation bonded debt	<u>\$7,102,908</u>	<u>6.1%</u>	<u>\$139</u>

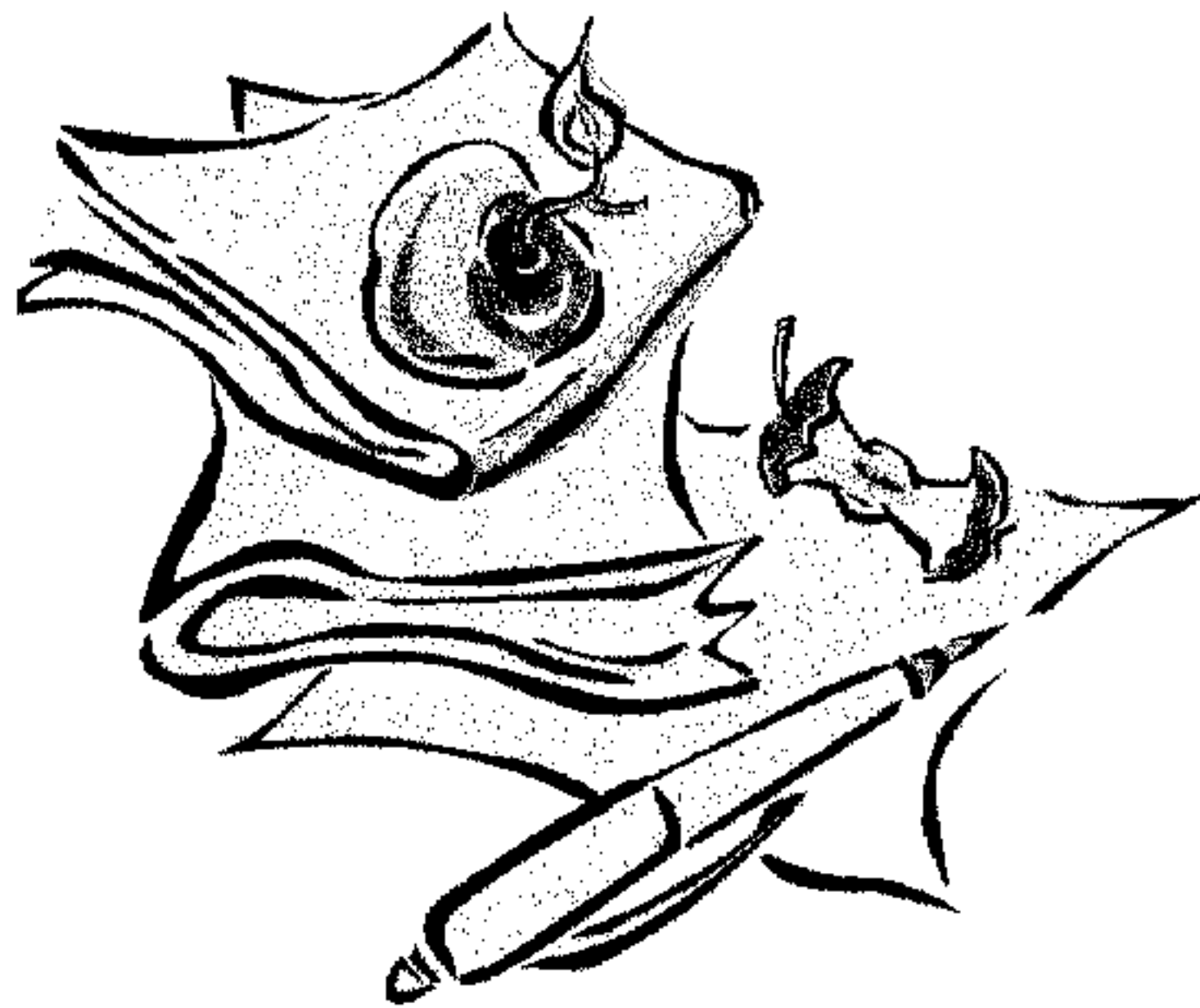
The School Board maintained a Baa bond rating from Moody's Investors Service.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES Our elected and appointed officials and citizens consider many factors when setting the School Board's 2002-2003 fiscal year budget and tax rates. One of the most important factors affecting the budget is our student count. The 2002-2003 budget was adopted in September 2002, based on an estimate of students that will be enrolled on October 1. The October 1 student count affects our Minimum Foundation Program (MFP) funding from the state. Approximately 58% of total revenues is from the MFP. Our Impact Aid federal funding is also tied to the number of federally connected students. Impact Aid fluctuates between \$4 to \$6 million per year. The October 1, 2002, student count was below the 2002-2003 budget projection amount and a budget amendment will be required.

We have projected an excess of \$459,752 for the 2002-2003 fiscal year with no major uncertainties anticipated for the future.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, parents, students, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact William L. Endris, Jr., Director of Finance, at Vernon Parish School Board, 201 Belview Road, Leesville, Louisiana 71446, telephone number (337) 239-3401.

Vernon Parish School Board



BASIC FINANCIAL STATEMENTS:

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

VERNON PARISH SCHOOL BOARD

STATEMENT OF NET ASSETS

June 30, 2002

Statement A

GOVERNMENTAL
ACTIVITIES

ASSETS

Cash and cash equivalents	\$ 7,283,650
Investments	4,216,564
Receivables (net)	2,596,619
Inventory	64,810
Capital assets:	
Land	1,136,870
Capital assets, net of depreciation	<u>23,101,527</u>

TOTAL ASSETS

38,400,040

LIABILITIES

Accounts, salaries and other payables	6,571,120
Deferred revenue	121,352
Interest payable	135,604
Workers' compensation payable	154,139
Long-term liabilities	
Due within one year	1,297,315
Due in more than one year	<u>8,322,785</u>

TOTAL LIABILITIES

16,602,315

NET ASSETS

Invested in capital assets, net of related debt	14,683,081
Restricted for:	
Federal and state funds	57,679
School food service	277,709
Maintenance funds	958,602
Debt service	1,136,299
Capital projects	26,410
Workers' Compensation	350,924
Unrestricted	<u>4,307,021</u>

TOTAL NET ASSETS

\$ 21,797,725

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERNON PARISH SCHOOL BOARD

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2002**

Statement B

	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
			CAPITAL GRANTS AND CONTRIBUTIONS	
FUNCTIONS/PROGRAMS				
<i>Governmental activities:</i>				
Instruction:				
Regular programs	\$ 27,048,089		\$ 1,133,835	\$ (25,914,254)
Special programs	11,219,895		3,285,153	(7,934,742)
Other instructional programs	2,583,517		1,688,233	(895,284)
Support services:				
Student services	2,609,415		6,600	(2,602,815)
Instructional staff support	2,439,031		236,352	(2,202,679)
General administration	1,403,282		9,984	(1,393,298)
School administration	3,552,513			(3,552,513)
Business services	466,844			(466,844)
Plant services	5,766,648		17,672	(5,748,976)
Student transportation services	4,303,580			(4,303,580)
Central services	631,498			(631,498)
Food services	4,261,555	751,751	2,103,547	(1,406,257)
Community service programs	10,293			(10,293)
Interest on long-term debt	479,947			(479,947)
Total Governmental Activities	66,776,107	751,751	8,481,376	(57,542,980)
General revenues:				
Taxes:				
Property taxes, levied for general purposes				1,957,804
Property taxes, levied for debt services				1,216,184
Sales taxes				7,260,026
State revenue sharing				293,077
Grants and contributions not restricted to specific programs				
Minimum Foundation Program				39,662,112
Federal Forest Lands				348,070
Interest and investment earnings				307,077
Impact Aid, Department of Defense, ROTC				6,038,767
Miscellaneous				1,382,689
Total general revenues				58,465,806
Changes in net assets				922,826
Net assets - beginning				20,874,899
Net assets - ending				\$ 21,797,725

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

BASIC FINANCIAL STATEMENTS:
FUND FINANCIAL STATEMENTS (FFS)

VERNON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2002

Statement C

	OTHER		
	GENERAL	GOVERNMENTAL	TOTAL
ASSETS			
Cash and cash equivalents	\$ 6,001,286	\$ 1,282,364	\$ 7,283,650
Investments	2,777,172	1,439,392	4,216,564
Receivables	1,088,456	1,508,163	2,596,619
Interfund receivables	934,486	275,557	1,210,043
Inventory	0	64,810	64,810
TOTAL ASSETS	10,801,400	4,570,286	15,371,686
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	5,649,624	921,496	6,571,120
Interfund payables	274,908	935,135	1,210,043
Deferred revenues	0	121,352	121,352
Total Liabilities	5,924,532	1,977,983	7,902,515
Fund Balances:			
Reserved for:			
Debt Service	0	1,271,903	1,271,903
Workers' Compensation	334,309	0	334,309
Protested taxes	429,023	0	429,023
Unreserved, reported in:			
General Fund	4,113,536	0	4,113,536
Special Revenue Funds	0	1,293,990	1,293,990
Capital Projects Fund	0	26,410	26,410
Total Fund Balances	4,876,868	2,592,303	7,469,171
TOTAL LIABILITIES AND FUND BALANCES	\$ 10,801,400	\$ 4,570,286	\$ 15,371,686

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERNON PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
June 30, 2002**

Statement D

Total fund balances - governmental funds	\$	7,469,171
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The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Assets includes those capital assets among the assets of the School Board as a whole. The cost of those capital assets allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.

Costs of capital assets	\$	51,499,459	
Depreciation expense to date		<u>(27,261,062)</u>	24,238,397

Long-term liabilities applicable to the School Board's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long term - are reported in the Statement of Net Assets.

Balances at June 30, 2002 are:

Long-term liabilities			
Bonds payable		(8,374,811)	
Compensated absences payable		(1,201,654)	
Leases payable		(43,635)	
Interest payable		(135,604)	
Workers' compensation payable		<u>(154,139)</u>	
			<u>(9,909,843)</u>

Net Assets	\$	<u>21,797,725</u>
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THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERNON PARISH SCHOOL BOARD

GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2002

Statement E

	GENERAL	OTHER GOVERNMENTAL	TOTAL
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 878,536	\$ 2,295,452	\$ 3,173,988
Sales and use	7,260,026	0	7,260,026
Interest earnings	236,407	70,670	307,077
Food services	0	751,751	751,751
Other	475,878	276,538	752,416
State sources:			
Equalization	39,203,011	459,101	39,662,112
Other	923,322	1,086,590	2,009,912
Federal sources	6,386,837	7,538,252	13,925,089
Total Revenues	55,364,017	12,478,354	67,842,371
EXPENDITURES			
Current:			
Instruction:			
Regular programs	25,080,940	1,153,723	26,234,663
Special programs	7,831,777	3,345,635	11,177,412
Other instructional programs	1,705,378	516,400	2,221,787
Support services:			
Student services	2,403,294	206,121	2,609,415
Instructional staff support	1,659,211	758,066	2,417,277
General administration	1,113,402	385,923	1,499,325
School administration	3,434,203	56,758	3,490,961
Business services	448,451	13,164	461,615
Plant services	4,782,074	851,914	5,633,988
Student transportation services	4,150,569	115,110	4,265,679
Central services	631,498	0	631,498
Food services	175,517	3,944,300	4,119,817
Community service programs	10,293	0	10,293
Capital outlay	98,327	1,111,894	1,210,221
Debt service:			
Principal retirement	0	968,242	968,242
Interest and bank charges	0	487,832	487,832
Total Expenditures	53,524,934	13,915,091	67,440,025
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 1,839,083	\$ (1,436,737)	\$ 402,346

(CONTINUED)

VERNON PARISH SCHOOL BOARD

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2002**

Statement E

	<u>GENERAL</u>	<u>OTHER GOVERNMENTAL</u>	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 205,177	\$ 886,108	\$ 1,091,285
Transfers out	(886,108)	(205,177)	(1,091,285)
Bond proceeds	0	50,000	50,000
 Total Other Financing Sources (Uses)	 (680,931)	 730,931	 50,000
 Net Change in Fund Balances	 1,158,152	 (705,806)	 452,346
 FUND BALANCES - BEGINNING	 3,718,716	 3,298,109	 7,016,825
 FUND BALANCES - ENDING	 \$ 4,876,868	 \$ 2,592,303	 \$ 7,469,171

(CONCLUDED)

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERNON PARISH SCHOOL BOARD

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2002**

Statement F

Total net change in fund balances - governmental funds	\$ 452,346
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period:	
Depreciation expense	\$1,650,748
Capital outlays	(1,210,221)
	(440,527)
Repayment of bond principal and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	968,242
In the Statement of Activities, certain operating expenses-compensated absences (vacations and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This year, vacation and sick time used (\$726,480) exceeded the amounts earned (\$583,777) by \$142,703	142,703
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Estimate of incurred but not reported workers' compensation claims	(154,139)
Bond and capital lease proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities.	
Bond proceeds	(50,000)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	4,201
Change in net assets of governmental activities.	\$ 922,826

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

VERNON PARISH SCHOOL BOARD
FIDUCIARY FUNDS
STATEMENT OF ASSETS AND LIABILITIES
June 30, 2002

Statement G

**AGENCY
FUNDS**

ASSETS

Cash and cash equivalents

\$ 785,768

TOTAL ASSETS

785,768

LIABILITIES

Deposits due others

785,768

TOTAL LIABILITIES

\$ 785,768

THE NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Vernon Parish School Board
Notes to the Basic Financial Statements

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Vernon Parish School Board
Notes to the Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Vernon Parish School Board have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY The Vernon Parish School Board was created by Louisiana Revised Statute LSA-R.S. 17:51 to provide public education for the children within Vernon Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the state of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is comprised of fifteen members who are elected from seven districts for terms of four years.

The School Board operates eighteen schools within the parish with a total enrollment of 10,127 pupils. In conjunction with the regular educational programs, some of these schools offer special education and/or adult education programs. In addition, the School Board provides transportation and school food services for the students.

GASB Statement No. 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the School Board is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board also has no *component units*, defined by GASB Statement No. 14 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

B. FUNDS The accounts of the School Board are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the School Board are classified into two categories: governmental and fiduciary.

Governmental Funds Governmental funds are used to account for the School Board's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. The School Board reports the following major governmental fund:

General fund – the primary operating fund of the School Board accounts for all financial resources, except those required to be accounted for in other funds.

Fiduciary Funds Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the School Board.

Agency funds are used to account for assets that the government holds for others in an agency capacity. These agency funds are as follows:

School activities fund – accounts for assets held by the School Board as an agent for the individual schools and school organizations.

Scholarship fund – accounts for voluntary employee contributions and is used to provide an annual scholarship for a graduate from the parish schools.

Sales tax fund – accounts for monies collected on behalf of other taxing authorities within the parish.

Vernon Parish School Board
Notes to the Basic Financial Statements

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Assets and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The Statement of Net Assets and the Statement of Activities was prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Nonexchange Transactions."

Program revenues Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Allocation of indirect expenses The School Board reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due. Compensated absences and claims and judgments are reported in a governmental fund only if the claims are due and payable.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes are recognized when all applicable eligibility requirements are met and the resources are available.

Sales Taxes are recognized when underlying exchange transaction occurs and the resources are available.

Entitlements and shared revenues (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available when cash is received by the School Board and are recognized as revenue at that time.

Vernon Parish School Board
Notes to the Basic Financial Statements

Expenditures

Salaries are recorded as paid. Salaries for nine-month employees are accrued at June 30.

Other Financing Sources (Uses) Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of fixed assets, debt extinguishments, long-term debt proceeds, et cetera) are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as needed.

Fiduciary Funds The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the School Board holds for others in an agency capacity.

D. ENCUMBRANCES Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the Board intends to honor the purchase orders and commitments, they are disclosed in the notes to the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

E. CASH AND CASH EQUIVALENTS Cash includes amounts in demand deposits and interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the School Board may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

F. INVESTMENTS Under state law, the School Board may invest in United States bonds treasury notes or certificates. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Investments in certificates of deposits are stated at amortized cost. Investments in U. S. Treasury securities are stated at amortized cost. Investments in the Louisiana Asset Management Pool (LAMP) are valued at fair value.

The investments are reflected at fair value except for the following which are permitted per GASB Statement No. 31:

Investments in *nonparticipating* interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

The School Board reported at amortized cost money market investments and *participating* interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

The School Board participates in the Louisiana Asset Management Pool, Inc. (LAMP) which is an external investment pool that is not SEC-registered. Because the LAMP is an arrangement sponsored by a type of governmental entity, it is exempt by statute from regulation by the SEC.

Vernon Parish School Board
Notes to the Basic Financial Statements

The investment objective of the LAMP is the preservation of capital and the maintenance of liquidity and, to the extent consistent with such objective, current yield.

The LAMP was established as a cooperative endeavor to enable public entities of the state of Louisiana to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The Board of Directors of LAMP provides certain management and administrative services to LAMP and, through a competitive bidding process, selects a custodial bank and an investment advisor. The custodial bank holds the assets of LAMP and the investment decisions are made by the investment advisor. Both the custodial bank and the investment advisor are subject to the review and oversight of LAMP.

An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the state of Louisiana has full access to the records of the LAMP.

The LAMP may invest in U. S. Government Securities and is designed to comply with restriction on investments by municipalities, parishes, and other types of political subdivisions imposed under Louisiana Revised Statute 33:2955.

The LAMP seeks to maintain a stable net asset value of \$1.00 per unit, but there can be no assurance that the LAMP will be able to achieve this objective. The LAMP's portfolio securities are valued at fair value. The LAMP operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, as amended, which governs money market funds (although the LAMP is not a money market fund and has no obligation to conform to this rule.) In addition, the LAMP will generally comply with other aspects of that rule, including the requirements that all portfolio securities acquired by the LAMP must have, at the time of purchase, a maximum remaining maturity of 397 days and meet certain additional quality standards and that the LAMP maintain a dollar-weighted average portfolio maturity of not more than 90 days.

The fair value of the position in the pool is the same as the value of the pool shares.

LAMP issues financial reports. These financial reports can be obtained by writing: LAMP, Inc., 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the fund financial statements balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. ELIMINATION AND RECLASSIFICATIONS In the process of aggregating data for the statement of net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

I. INVENTORY Inventory is accounted for using the consumption method, where expenditures are recognized as inventory is used.

Inventory of the school food service special revenue fund consists of food purchased by the School Board and commodities granted by the United States Department of Agriculture through the Louisiana Department of Agriculture and Forestry. Unused commodities at June 30 are reported as deferred revenue. All purchased inventory items are valued at cost (first-in, first-out) and commodities are assigned values based on information provided by the United States Department of Agriculture.

Vernon Parish School Board
Notes to the Basic Financial Statements

J. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$2,000. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Vehicles and trailers are assigned a salvage value of five percent of historical costs. Straight line depreciation is used based on the following estimated useful lives:

Buildings	10 - 40 years
Furniture and equipment	3 - 10 years

K. DEFERRED REVENUES The School Board reports deferred revenues on its Statement of Net Assets and fund balance sheet. Deferred revenues arise when resources are received by the School Board before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the School Board has a legal claim to the resources, the liability for deferred revenue is removed and the revenue is recognized.

L. COMPENSATED ABSENCES All 12-month employees earn ten days of vacation leave each year. Employees cannot accumulate more than 13 days of vacation leave. Upon retirement, unused vacation leave of up to 13 days is paid to employees.

All School Board employees earn ten days of sick leave each year. Sick leave can be accumulated without limitation. Upon retirement, unused sick leave of up to 25 days is paid to employees per Louisiana Revised Statute 17:425 at the employees' current rate of pay and all unused sick leave is used in the retirement computation as earned service.

Sabbatical leave may be granted for rest and recuperation and for professional and cultural improvement. Any employee with a teaching certificate is entitled, subject to approval by the School Board, to one semester of sabbatical leave after three years of continuous service or two semesters of sabbatical leave after six or more years of continuous service.

The School Board's recognition and measurement criteria for compensated absences follows:

Vacation leave and other compensated absences with similar characteristics should be accrued as a liability as the benefits are earned by the employees if both of the following conditions are met:

- A. The employees' right to receive compensation is attributable to services already rendered.
- B. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave should be accrued using one of the following termination approaches:

- A. An accrual for earned sick leave should be made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.
- B. Alternatively, a governmental entity should estimate its accrued sick leave liability based on the sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments. The School Board uses this approach to accrue the liability for sick leave which includes salary-related payments.

Sabbatical leave benefits are accrued in the government-wide financial statements if they are based on past service, will be used as unrestricted time off, and are probable of being paid. In the fund financial statements, sabbatical leave benefits are recorded in the governmental fund only if the benefits are due and payable.

Vernon Parish School Board
Notes to the Basic Financial Statements

M. LONG-TERMLIABILITIES For government-wide reporting, the costs associated with the bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34 the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

N. RESTRICTED NET ASSETS For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

O. FUND BALANCES OF FUND FINANCIAL STATEMENTS Reservations of fund balance represent amounts that are not appropriable for expenditures or legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

P. INTERFUND ACTIVITY Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Q. SALES TAXES The Vernon Parish School Board has the following two sales tax ordinances:

The School Board collects a one cent parish-wide sales and use tax as authorized in a special election held January 12, 1991. In accordance with the proposition approved by the voters of the parish, the "net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the Vernon Parish School System" and for benefits of the retirees of the Vernon Parish School System.

The School Board collects a one cent parish-wide sales and use tax authorized in a special election held March 31, 1973. In accordance with the proposition approved by the voters of the parish, the "net revenues derived from said sales and use tax is to be dedicated and used solely for the purpose to provide funds for the payment of salaries of school employees in the Vernon Parish School System."

R. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 - LEVIED TAXES The School Board levies taxes on real and business personal property located within Vernon Parish's boundaries. Property taxes are levied by the School Board on property values assessed by the Vernon Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

**Vernon Parish School Board
Notes to the Basic Financial Statements**

The Vernon Parish sheriff's office bills and collects property taxes for the School Board. Collections are remitted to the School Board monthly.

Property Tax Calendar

Millage rates adopted	January 1, 2001
Levy date	January 1, 2001
Tax bills mailed	October 29, 2001
Due date	December 31, 2001
Lien date	May 1, 2002
Tax sale - 2001 delinquent property	May 1, 2002

Assessed values are established by the Vernon Parish Tax Assessor each year on a uniform basis at the following ratios of assessed value to fair market value.

10% land	15% machinery
10% residential improvements	15% commercial improvements
15% industrial improvements	25% public service properties, excluding land

A revaluation of all property is required after 1978 to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2001. Total assessed value was \$116,157,030 in calendar year 2001. Louisiana state law exempts the first \$7,500 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption was \$33,175,350 of the assessed value in calendar year 2001.

State law requires the sheriff to collect property taxes in the calendar year in which the assessment is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of 1.25% per month until the taxes are paid. After notice is given to the delinquent taxpayers, the sheriff is required by the *Constitution of the State of Louisiana* to sell the least quantity of property necessary to settle the taxes and interest owed.

All property taxes are recorded in the general fund, maintenance funds (special revenue) and debt service funds. Revenues in such funds are recognized in the accounting period in which an enforceable legal claim arises. Estimated uncollectible taxes are those taxes based on past experience which will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll. The School Board uses the lien date to establish the enforceable legal claim date. No receivable has been recorded for 2002 property taxes because the lien date is subsequent to year end.

The tax roll is prepared by the parish tax assessor in November of each year, therefore, the amount of 2002 property taxes to be collected occurs in December and January and February of the next year.

Historically, virtually all ad valorem taxes receivable were collected since they are secured by property; therefore, there is no allowance for uncollectible taxes.

Vernon Parish School Board
Notes to the Basic Financial Statements

The following is a summary of authorized and levied (tax rate per \$1,000 assessed value) ad valorem taxes:

	<u>Date of Voter Approval</u>	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
Parish-wide taxes:				
Constitutional and operation	Statutory	3.70	3.70	Statutory
Maintenance and operation	April 29, 1995	7.17	7.17	2005
District taxes:				
<u>Ward</u>				
1	April 29, 1995	13.03	13.03	2005
2 Hornbeck	April 29, 1995	13.32	13.32	2005
2 Orange	April 29, 1995	13.24	13.24	2005
3	January 18, 1997	13.14	13.14	2006
4 Pickering	March 26, 1994	13.98	13.98	2003
5	March 26, 1994	14.53	14.53	2003
6	March 26, 1994	12.59	12.59	2003
7	March 10, 1992	13.00	13.00	2003
8	March 26, 1994	13.48	13.48	2003

	<u>Authorized Millage</u>	<u>Levied Millage</u>	<u>Expiration Date</u>
District sinking fund taxes:			
<u>Ward</u>			
1	Variable	17.82	2003
2 Hornbeck	Variable	87.00	2013
2 Orange	Variable	40.00	2008
3	Variable	8.28	2022
4 Pickering	Variable	32.00	2015
5	Variable	4.22	2012
6	Variable	32.00	2024
7	Variable	13.00	2015
8	Variable	63.33	2008

NOTE 3 - DEPOSITS AND INVESTMENTS Deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end, the School Board's carrying amount of deposits was \$8,719,206, which includes \$785,768 in fiduciary funds, (which includes \$650,000 as time deposits) and the bank balance was \$11,678,461. Of the bank balance, \$473,779 was covered by federal depository insurance or by collateral held by the School Board's agent in the School Board's name (GASB Category 1). The remaining balance, \$11,204,682, was collateralized with securities held by the pledging financial institution's trust department or agent but not in the School Board's name (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the School Board that the fiscal agent has failed to pay deposited funds upon demand.

Vernon Parish School Board
Notes to the Basic Financial Statements

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the School Board or its agent in the School Board's name.
2. Uninsured and unregistered, with securities held by the counter party's trust department or agent in the School Board's name.
3. Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent but not in the School Board's name.

At year end, the School Board investment balances included the following:

<u>Type of investment</u>	Category	<u>Carrying Amount</u>	<u>Total</u>
	<u>1</u>	<u>Fair Value</u>	<u>Carrying Amount</u>
U. S. Government Security	\$334,309	\$ 334,309	\$ 334,309
Investments not subject to categorization:			
External investment pool	0	3,232,255	3,232,255
Total investment	<u>\$334,309</u>	<u>\$3,566,564</u>	<u>\$3,566,564</u>

As discussed later in Note 12, Restricted Net Assets, the U. S. Government Security is pledged to the Louisiana Office of Workers' Compensation. Note 1 F includes additional investment information.

NOTE 4 - RECEIVABLES The receivables at June 30, 2002, are as follows:

	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
Taxes:			
Ad valorem	\$ 144	\$ 286	\$ 430
Sales tax	720,938	0	720,938
Intergovernmental - grants:			
Federal	0	1,152,996	1,152,996
State	260,226	323,338	583,564
Other	107,148	31,543	138,691
Total	<u>\$1,088,456</u>	<u>\$1,508,163</u>	<u>\$2,596,619</u>

No allowance for doubtful accounts has been established as the School Board expects to collect the full balance.

NOTE 5 - CAPITAL ASSETS Capital assets balances and activity for the year ended June 30, 2002, are as follows:

	<u>Balance, July 1, 2001</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, June 30, 2002</u>
Governmental activities:				
Land	\$ 1,136,870	\$ 0	\$ 0	\$ 1,136,870
Buildings	39,951,213	661,867	0	40,613,080
Furniture and equipment	9,297,796	548,354	96,641	9,749,509
Total	<u>50,385,879</u>	<u>1,210,221</u>	<u>96,641</u>	<u>51,499,459</u>
Less accumulated depreciation				
Buildings	18,831,461	950,335	0	19,781,796
Furniture and equipment	6,875,494	700,413	96,641	7,479,266
Total	<u>25,706,955</u>	<u>1,650,748</u>	<u>96,641</u>	<u>27,261,062</u>
Governmental activities				
Capital assets, net	<u>\$24,678,924</u>	<u>\$ (440,527)</u>	<u>\$ 0</u>	<u>\$24,238,397</u>

**Vernon Parish School Board
Notes to the Basic Financial Statements**

Depreciation expense was charged to governmental activities as follows:

Regular programs	\$ 919,040
Special programs	42,483
Other instructional programs	361,730
Instructional staff support	21,754
General administration	43,711
School administration	61,552
Business services	5,229
Plant services	61,572
Student transportation services	37,901
Food services	<u>95,776</u>
Total depreciation expense	<u>\$1,650,748</u>

NOTE 6 - RETIREMENT SYSTEMS

Plan Description As required by state statute, substantially all School Board employees participate in either the Teachers' Retirement System or the School Employees' Retirement System (the Systems), which are cost-sharing, multiple-employer public employee retirement systems (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature.

Participation in the Teachers' Retirement System is divided into two plans - the Teachers' Regular Plan and the Teachers' Plan A. In general, professional employees (such as teachers and principals) and lunchroom workers are members of the Louisiana Teachers' Retirement System (TRS); other employees, such as custodial personnel and bus drivers, are members of the Louisiana School Employees' Retirement System (LSERS). Generally, all full-time employees are eligible to participate in the system.

With respect to the Teachers' Retirement System Regular Plan, normal retirement is at age sixty with ten years of service, or at any age with twenty years of service. The formula for annual maximum retirement benefits is generally two percent (with less than twenty-five years of service) or 2.5 percent (with twenty-five or more years of service) times the years of creditable service times the average salary of the thirty-six highest successive months (plus \$300 applicable to persons becoming members prior to July 1, 1986).

Under the Teachers' Retirement System Plan A, normal retirement is generally at any age with 30 or more years of creditable service, at age fifty-five with at least twenty-five years of creditable service and at age sixty with at least ten years of creditable service. The retirement benefit formula is generally three percent times the years of creditable service times the average salary of the thirty-six highest successive months plus \$24 per year of service.

Employees participating in the School Employees' Retirement System are eligible for normal retirement after thirty years of service, or after twenty-five years of service at age fifty-five or after ten years of service at age sixty. The maximum retirement allowance is computed at 2.5 percent times the highest thirty-six months of average salary, times the years of service plus a supplement of \$2.00 per month times the years of service.

Both TRS and LSERS issue annual financial reports. The reports can be obtained by telephoning or writing to the following:

Teachers' Retirement System of Louisiana
Post Office Box 94123
Baton Rouge, Louisiana 70804-9123
(225) 925-6446

Louisiana School Employees' Retirement System
Post Office Box 44516
Baton Rouge, Louisiana 70804
(225) 925-6484

Vernon Parish School Board
Notes to the Basic Financial Statements

Funding Policy Each system is administered and controlled at the state level by a separate board of trustees, with contribution rates approved and amended by the Louisiana Legislature. Benefits of the systems are funded by employee and employer contributions. Benefits granted by the retirement systems are guaranteed by the state of Louisiana under provisions of the Louisiana Constitution of 1974.

In addition, the employer does not remit to the Teachers' Retirement System, Regular Plan or Plan A, the employer's contribution for the professional improvement program (PIP) portion of payroll. The PIP contribution is made directly to the Retirement System by the state of Louisiana.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2002, are as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System:		
Regular	8.00%	13.10%
Plan A	9.10%	13.10%
Louisiana School Employees' Retirement System	7.50%	0.00%

Total covered payroll of the School Board for TRS - Regular Plan, TRS - Plan A, and LSERS for the year ended June 30, 2002 amounted to \$35,056,557, \$328,727, and \$4,302,167, respectively. Employer contributions for the year ended June 30, 2002 and each of the two preceding years are as follows:

TRS.....LSERS.....
<u>Fiscal Year Ended</u>	<u>Annual</u> <u>Actuarially</u> <u>Required</u> <u>Contribution</u>	<u>Annual</u> <u>Actuarially</u> <u>Required</u> <u>Contribution</u>
June 30, 2000	\$5,447,877	0
June 30, 2001	5,100,201	0
June 30, 2002	5,535,711	0

Annual actuarially required contributions for each plan above is based on the plan's annual financial report for that year except for the year ended June 30, 2002. The annual actuarially required contribution for the year ended June 30, 2002, is based upon each plan's annual financial report for the year ended June 30, 2001, which is the latest information available. The above-required contributions were made.

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS In accordance with state statutes, the School Board provides certain continuing health care and life insurance benefits for its retired employees on a pay-as-you-go basis. Substantially all of the School Board's employees become eligible for these benefits if they reach normal retirement age while working for the School Board. These benefits for retirees and similar benefits for active employees are provided through the Foundation Health Plan, whose monthly premiums are paid jointly by the employee and by the School Board. The cost of retiree benefits included in these expenditures was \$1,533,777 for 303 retirees.

NOTE 8 - ACCOUNTS, SALARIES AND OTHER PAYABLES The payables at June 30, 2002, are as follows:

	<u>General</u>	<u>Other</u> <u>Governmental</u>	<u>Total</u>
Salaries	\$5,212,678	\$647,190	\$5,859,868
Accounts	434,851	274,306	709,157
Total	<u>\$5,647,529</u>	<u>\$921,496</u>	<u>\$6,569,025</u>

Vernon Parish School Board
Notes to the Basic Financial Statements

NOTE 9 - AGENCY FUND DEPOSITS DUE OTHERS (FFS LEVEL ONLY) A summary of changes in agency fund deposits due others follows:

	<u>Balance at Beginning Of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance At End Of Year</u>
School activities	\$620,424	\$ 3,097,816	\$ 2,935,128	\$783,112
Scholarship	3,208	2,528	3,080	2,656
Sales tax	0	14,648,724	14,648,724	0
Total	<u>\$623,632</u>	<u>\$17,749,068</u>	<u>\$17,586,932</u>	<u>\$785,768</u>

NOTE 10 - LONG-TERM LIABILITIES The following is a summary of the long-term liabilities transactions and balances for the year ended June 30, 2002:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Amounts due Within One Year</u>
Governmental Activities					
Bonds payable:					
General obligation debt	\$ 9,280,182	\$ 50,000	\$ 955,371	\$8,374,811	\$ 994,979
Other Liabilities:					
Compensated absences	1,344,357	583,777	726,480	1,201,654	288,662
Capital leases	<u>56,506</u>	<u>0</u>	<u>12,871</u>	<u>43,635</u>	<u>13,674</u>
Governmental Activities					
Long-term liabilities	<u>\$10,681,045</u>	<u>\$633,777</u>	<u>\$1,694,722</u>	<u>\$9,620,100</u>	<u>\$1,297,315</u>

Payments on the general obligation bonds payable that pertain to the School Board's governmental activities are made by the debt service funds. The compensated absences liability attributable to the governmental activities will be liquidated by several of the School Board's governmental funds. In the past, approximately 88% was paid by the general fund, 2% by Title I fund, 5% by the school food service fund and the remaining 5% by other governmental funds.

Vernon Parish School Board
Notes to the Basic Financial Statements

All School Board bonds outstanding at June 30, 2002, are general obligation bond. The individual issues are as follows:

	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Final Payment Due</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
WARD I					
March 1, 1992	\$1,020,000	5.90 - 6.50	2003	\$ 8,450	\$ 130,000
WARD II - ORANGE					
February 3, 1994	1,470,000	3.75 - 5.20	2008	159,844	870,000
WARD II - HORNBECK					
February 3, 1994	550,000	3.75 - 4.90	2005	21,406	220,000
December 1, 1997	532,000	1.00 - 7.75	2011	168,913	411,000
June 1, 2001	600,000	4.70 - 5.25	2021	339,124	590,000
WARD III					
April 30, 1982	1,438,000	5.00	2022	653,500	1,075,000
WARD IV					
February 3, 1994	995,000	3.75 - 5.00	2006	60,890	485,000
December 1, 1997	1,230,000	4.10 - 5.00	2010	177,300	825,000
WARD V					
February 3, 1994	585,000	3.75 - 4.75	2004	13,685	190,000
December 1, 1997	616,000	1.00 - 7.75	2009	126,565	410,000
WARD VI					
November 16, 1993	1,500,000	5.126	2024	888,856	1,288,811
April 25, 2002	50,000	5.00	2031	45,301	50,000
WARD VII					
February 3, 1994	1,805,000	3.75 - 5.60	2015	438,775	1,155,000
WARD VIII					
February 3, 1994	1,150,000	3.75 - 5.20	2008	125,335	675,000
Total				<u>\$3,227,944</u>	<u>\$8,374,811</u>

All principal and interest requirements are funded in accordance with Louisiana law by the annual ad valorem tax levy on taxable property within the parish. At June 30, 2002, the School Board had accumulated \$1,271,903 in the debt service funds for future debt requirements. The bonds are due as follows:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2003	\$1,044,979	\$ 485,258	\$ 1,530,237
2004	928,669	388,609	1,317,278
2005	863,446	341,933	1,205,379
2006	753,314	297,205	1,050,519
2007	679,277	257,032	936,309
2008-2012	1,893,549	816,976	2,710,525
2013-2017	1,086,136	440,050	1,526,186
2018-2022	941,628	186,725	1,128,353
2023 and thereafter	183,813	14,157	197,970
Total	<u>\$8,374,811</u>	<u>\$3,227,945</u>	<u>\$11,602,756</u>

In accordance with Louisiana Revised Statute 39:562, the School Board is legally restricted from incurring long-term bonded debt in excess of 35 percent of the assessed value of taxable property. At June 30, 2002, the statutory limit is \$40,654,961 and outstanding net bonded debt totals \$7,102,908.

Vernon Parish School Board
Notes to the Basic Financial Statements

The school board records items under capital leases as an asset and an obligation in the accompanying financial statements. The following is an analysis of capital leases:

<u>Type:</u>	Lease date <u>Nov. 13, 2000</u>
School bus	<u>\$81,984</u>

The following is a schedule of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of June 30, 2002:

	<u>School Bus</u>
Fiscal year:	
2003	\$49,190
Less amounts representing executory costs	<u>0</u>
Net minimum lease payments	49,190
Less amounts representing interest	<u>5,555</u>
Present value of net minimum lease payments	<u>\$43,635</u>

NOTE 11 - INTERFUND ASSETS/LIABILITIES (FFS LEVEL ONLY)

Interfund Receivables/Payables:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Other governmental	\$ 934,486
Other governmental	General	274,909
Other governmental	Other governmental	<u>648</u>
Total		<u>\$1,210,043</u>

The purpose of the interfund assets/liabilities were to cover current-year expenditures on cost reimbursement programs until the reimbursement requisitions are deposited.

NOTE 12 - RESTRICTED NET ASSETS The School Board entered into a security agreement with the state of Louisiana Office of Workers' Compensation (OWC) Department of Employment and Training that grants to OWC a security interest in the School Board's \$334,309 U. S. Government Security. The security interest is to secure the prompt payment of all present and future obligations, including, but not limited to, prompt payment of workers' compensation payments, the furnishing of medical treatment, and or any other requirement under the provisions of the Louisiana Workers' Compensation Act and Rules of the OWC Fiscal Responsibility Unit. The following is a summary of transactions relating to the restricted net assets for the year ended June 30, 2002:

	<u>Restricted for Workers' Compensation Security Deposit</u>
Balance, beginning	\$332,963
Additions	1,346
Deletions	<u>0</u>
Balance, ending	<u>\$334,309</u>

Vernon Parish School Board
Notes to the Basic Financial Statements

NOTE 13 - INTERFUND TRANSFERS (FFS LEVEL ONLY) Transfers for the year ended June 30, 2002, were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 205,177	\$ 886,108
Other governmental	886,108	205,177
Totals	<u>\$1,091,285</u>	<u>\$1,091,285</u>

The purpose of interfund transfers were due mainly to the school food service as a result of the food service's expenditures exceeding the current-year revenues.

NOTE 14 - ENCUMBRANCES (FFS LEVEL ONLY) Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, appropriations lapse at fiscal year-end and outstanding encumbrances are reappropriated in the next year. At June 30, 2002, the School Board had entered into purchase orders and commitments as follows:

	<u>General</u>	<u>Other Governmental</u>	<u>Total</u>
Total	<u>\$310,014</u>	<u>\$153,767</u>	<u>\$463,781</u>

NOTE 15 - RISK MANAGEMENT The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. A risk management program for workers' compensation insurance was established by the School Board several years ago. Premiums are paid into the general fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. As of June 30, 2002, such interfund premiums did not exceed reimbursable expenditures. Interfund premiums are based primarily upon the individual funds' payroll and are reported as expenditures in the individual funds.

An insurance policy covers individual claims in excess of \$200,000. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the School Board's best estimate based on available information. This liability does not include incremental costs, if any.

Changes in the claims amount in previous fiscal years were as follows:

<u>Year ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Benefit Payments and Claims</u>	<u>Ending of Fiscal Year Liability</u>
1999 - 2000	\$ 601	\$360,300	\$345,991	\$ 14,910
2000 - 2001	14,910	460,300	470,262	4,948
2001 - 2002	4,948	688,625	539,434	154,139

The School Board continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 16 - LITIGATION AND CLAIMS

Litigation At June 30, 2002, the School Board is involved in various litigation. It is the opinion of the legal advisor for the School Board that ultimate resolution of these lawsuits would not materially affect the financial statements.

Self-Insurance The School Board is partially self-insured for workers' compensation. Claims are funded through operating funds of the School Board. The School Board maintains stop-loss coverage with an insurance company for claims in excess of \$200,000 per occurrence for each employee.

Vernon Parish School Board
Notes to the Basic Financial Statements

Grant Disallowances The School Board participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. School Board management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

Tax Arbitrage Rebate Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

Protested Taxes Throughout the year, the School Board receives sales taxes that are paid in protest. The School Board reserved all protested taxes until the issue is resolved.

NOTE 17 - ON-BEHALF PAYMENTS FOR FRINGE BENEFITS AND SALARIES On-behalf payments for fringe benefits and salaries are direct payments made by an entity (the paying agent) to a third-party recipient for the employees of another, legally separate entity (the employer entity). GASB Statement No. 24 requires employer governments to recognize revenue and expenditures or expenses for these on-behalf payments.

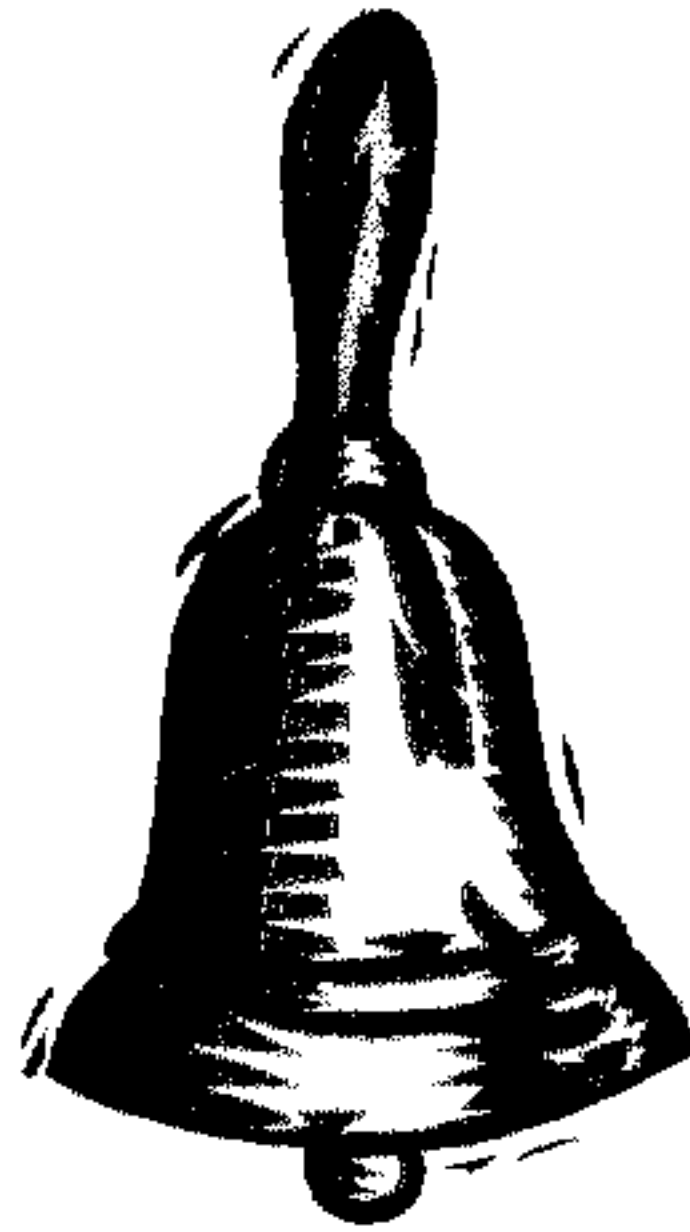
The state of Louisiana made pension contributions (regarding Professional Improvement Program) directly to the Teachers' Retirement System of Louisiana on behalf of the School Board in the amount of \$22,684. This amount was recognized as state revenue and a corresponding expenditure in the applicable fund from which the salary was paid.

NOTE 18 - SUBSEQUENT EVENTS Ward 1 issued bonds after year end for \$5,500,000. The proceeds from the bond will be used for roofing, air conditioning, two multipurpose buildings at East Leesville Elementary and West Leesville Elementary, and a track at Leesville High School. These projects are scheduled for completion in fiscal year ending June 30, 2003.

NOTE 19 - ECONOMIC DEPENDENCY Statement of Financial Accounting Standards (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entities' revenue. Approximately one-half of the student population consists of students from military families at Fort Polk. The Minimum Foundation funding provided by the state to all public school systems in Louisiana is primarily based on October 1 student count. The state provided \$39,662,112 to the School Board, which represents approximately 60% of the School Board's total revenues for the year. Potentially up to approximately one-half of this Minimum Foundation funding is attributable to the students of military personnel. Additionally, the federal government provided \$6,038,767 in direct funding (Impact Aid) to the School Board.

The financial impact of students from military personnel associated with Fort Polk could be as much as 40% of the total revenues of the School Board.

Vernon Parish School Board



**REQUIRED SUPPLEMENTAL
INFORMATION**

Vernon Parish School Board

Budgetary Comparison Schedule

General Fund With a Legally Adopted Annual Budget

GENERAL FUND The general fund accounts for all activities of the School Board except those that are accounted for in other funds.

VERNON PARISH SCHOOL BOARD

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2002**

Exhibit 1

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL	(Budgetary Basis)	POSITIVE (NEGATIVE)
BUDGETARY FUND BALANCES, BEGINNING	\$ 1,604,259	\$ 3,718,716	\$ 3,718,716	\$ 0
Resources (inflows)				
Local sources:				
Taxes:				
Ad valorem	947,451	867,841	878,536	10,695
Sales and use	7,081,312	7,432,301	7,260,026	(172,275)
Interest earnings	250,000	202,112	236,407	34,295
Other	131,200	468,372	402,659	(65,713)
State sources:				
Equalization	36,406,450	39,206,328	39,662,112	455,784
Other	1,323,217	897,537	923,322	25,785
Federal sources	3,800,277	6,401,317	6,386,837	(14,480)
Transfers from other funds	458,294	757,040	278,396	(478,644)
Amounts available for appropriations	52,002,460	59,951,564	59,747,011	\$ (204,553)
Charges to appropriations (outflows)				
General government:				
Instruction:				
Regular programs	22,485,345	25,271,803	25,080,940	\$ 190,863
Special programs	7,707,932	8,034,789	7,831,777	203,012
Other instructional programs	1,602,578	1,683,022	1,705,378	(22,356)
Support services:				
Student services	2,122,243	2,448,431	2,403,294	45,137
Instructional staff support	1,767,046	1,727,769	1,659,211	68,558
General administration	1,154,072	1,103,393	1,113,402	(10,009)
School administration	3,176,366	3,458,573	3,434,203	24,370
Business services	479,202	439,675	448,451	(8,776)
Plant services	4,395,575	4,845,184	4,782,074	63,110
Student transportation services	3,850,900	4,134,686	4,150,569	(15,883)
Central services	367,833	515,782	631,498	(115,716)
Food services	268,615	178,985	175,517	3,468
Community service programs	5,067	6,837	10,293	(3,456)
Capital Outlay	0	0	98,327	(98,327)
Transfers to other funds	1,853,501	1,796,884	1,661,680	135,204
Total charges to appropriations	51,236,275	55,645,813	55,186,614	\$ 459,199
BUDGETARY FUND BALANCES, ENDING	\$ 766,185	\$ 4,305,751	\$ 4,560,397	\$ 254,646

Vernon Parish School Board

Notes to the Budgetary Comparison Schedule For the Year Ended June 30, 2002

A. BUDGETS

General Budget Policies The School Board follows these procedures in establishing the budgetary data reflected in the combined financial statements:

State statute requires budgets be adopted for the general fund and all special revenue funds. Each year prior to September 15, the Superintendent submits to the Board proposed annual budgets for the general fund and all special revenue funds. Public hearings are conducted, prior to the Board's approval, to obtain citizens' comments. The operating budgets include proposed expenditures and the means of financing them.

Appropriations (unexpended budget balances) lapse at year end.

Formal budget integration (within the accounting records) is employed as a management control device. All budgets are controlled at the division, departmental or project level. However, when projected revenues within a fund fail to meet budgeted revenues and/or projected expenditures within a fund exceed budgeted expenditures by five percent or more, a budget amendment is adopted by the School Board in an open meeting. There were significant revisions made to the 2001-2002 general fund original budget. Budgeted revenues were increased \$5.2 million due to an unexpected increase in state Minimum Foundation Program funds, an unexpected change in federal unrestricted funds (Impact Aid) and an increase in sales tax revenue of \$.3 million. Budgeted expenditures were also increased \$3.6 million to account for the increase in salaries and purchased professional services.

Encumbrances Encumbrance accounting is employed in governmental funds. Outstanding encumbrances lapse at year end. To the extent the Board intends to honor the purchase orders and commitments, they are disclosed in the notes to the financial statements. Authorization for the eventual expenditure will be included in the following year's budget appropriations.

Budget Basis of Accounting All governmental funds' budgets are prepared on the modified accrual basis of accounting, with some variations. Budgeted amounts are as originally adopted or as amended by the Board. Legally, the Board must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budgeted expenditures and other financing uses. State statutes require the Board to amend its budgets when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures plus projected expenditures within a fund are expected to exceed budgeted expenditures by five percent or more. The School Board approves budgets at the function level and management can transfer amounts between line items within a function. The budget was amended after the close of the year. This is not prohibited by state law.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS Many funds reflected unfavorable budget variances of less than \$100. Because these amounts are immaterial, both individually and collectively, they have not been listed below.

The following individual funds had actual expenditures over budgeted expenditures for the year ended June 30, 2002:

<u>Nonmajor Funds</u>	<u>Budget</u>	<u>Actual</u>	<u>Unfavorable Variance</u>
Ward 2 - Hornbeck Maintenance	\$46,001	\$47,645	\$1,644
Other special funds	398,705	400,177	1,472
Sales tax	70,941	74,162	3,221

Actual expenditures exceeded appropriations as a result of unanticipated accruals occurring after the last budget revision.

VERNON PARISH SCHOOL BOARD

Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2002

Note B - Budget to GAAP Reconciliation - Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>GENERAL FUND</u>
<u>Sources/inflows of resources:</u>	
Actual amounts (budgetary basis) "available for appropriation" from the Budgetary Comparison Schedule	\$ 60,408,487
Difference in other income	73,219
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes	(3,718,716)
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes	(939,872)
State equalization revenue is all budgeted in the general fund with a transfer out to School Lunch. For financial reporting this is recorded as a reduction of state revenue in the general fund	<u>(459,101)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 55,364,017</u>
<u>Uses/outflows of resources:</u>	
Actual amounts (budgetary basis) "Total charges to appropriations" from the Budgetary Comparison Schedule	\$ 55,186,614
Transfer to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes	<u>(1,661,680)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 53,524,934</u>

SUPPLEMENTAL INFORMATION

**COMBINING
NONMAJOR GOVERNMENTAL FUNDS**

VERNON PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
Combining Balance Sheet - By Fund Type
June 30, 2002

Exhibit 2

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECT</u>	<u>TOTAL</u>
ASSETS				
Cash and cash equivalents	\$ 995,906	\$ 250,910	\$ 35,548	\$ 1,282,364
Investments	418,510	1,020,882	0	1,439,392
Receivables	1,508,052	111	0	1,508,163
Interfund receivables	275,557	0	0	275,557
Inventory	64,810	0	0	64,810
TOTAL ASSETS	<u>3,262,835</u>	<u>1,271,903</u>	<u>35,548</u>	<u>4,570,286</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	912,606	0	8,890	921,496
Interfund payables	934,887	0	248	935,135
Deferred revenue	121,352	0	0	121,352
Total Liabilities	<u>1,968,845</u>	<u>0</u>	<u>9,138</u>	<u>1,977,983</u>
Fund Balances:				
Reserved for debt service	0	1,271,903	0	1,271,903
Unreserved, reported in				
Special revenue	1,293,990	0	0	1,293,990
Capital projects	0	0	26,410	26,410
Total Fund Balances	<u>1,293,990</u>	<u>1,271,903</u>	<u>26,410</u>	<u>2,592,303</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,262,835</u>	<u>\$ 1,271,903</u>	<u>\$ 35,548</u>	<u>\$ 4,570,286</u>

VERNON PARISH SCHOOL BOARD

**NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - By Fund Type
For the Year Ended June 30, 2002**

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECT</u>	<u>TOTAL</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 1,079,268	\$ 1,216,184	\$ 0	\$ 2,295,452
Interest earnings	26,360	35,652	8,658	70,670
Food services	751,751	0	0	751,751
Other	250,538	26,000	0	276,538
State sources:				
Equalization	459,101	0	0	459,101
Other	1,086,590	0	0	1,086,590
Federal sources	7,538,252	0	0	7,538,252
 Total Revenues	 <u>11,191,860</u>	 <u>1,277,836</u>	 <u>8,658</u>	 <u>12,478,354</u>
 EXPENDITURES				
Current:				
Instruction:				
Regular programs	1,144,980	0	8,743	1,153,723
Special programs	3,345,635	0	0	3,345,635
Other instructional programs	516,409	0	0	516,409
Support services:				
Student services	206,121	0	0	206,121
Instructional staff support	758,066	0	0	758,066
General administration	310,571	65,376	9,976	385,923
School administration	56,758	0	0	56,758
Business services	13,122	42	0	13,164
Plant services	806,746	0	45,168	851,914
Student transportation services	113,123	0	1,987	115,110
Food services	3,944,300	0	0	3,944,300
Capital outlay	611,694	0	500,200	1,111,894
Debt service:				
Principal retirement	12,871	955,371	0	968,242
Interest and bank charges	3,526	484,306	0	487,832
 Total Expenditures	 <u>11,843,922</u>	 <u>1,505,095</u>	 <u>566,074</u>	 <u>13,915,091</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ (652,062)</u>	 <u>\$ (227,259)</u>	 <u>\$ (557,416)</u>	 <u>\$ (1,436,737)</u>

(CONTINUED)

VERNON PARISH SCHOOL BOARD
NONMAJOR GOVERNMENTAL FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances- By Fund Type
For the Year Ended June 30, 2002

Exhibit 3

	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECT</u>	<u>TOTAL</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 886,108	\$ 0	\$ 0	\$ 886,108
Transfers out	(205,177)	0	0	(205,177)
Bond proceeds	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>
Total Other Financing Sources (Uses)	<u>680,931</u>	<u>0</u>	<u>50,000</u>	<u>730,931</u>
Net Change in Fund Balances	28,869	(227,259)	(507,416)	(705,806)
FUND BALANCES - BEGINNING	<u>1,265,121</u>	<u>1,499,162</u>	<u>533,826</u>	<u>3,298,109</u>
FUND BALANCES - ENDING	<u>\$ 1,293,990</u>	<u>\$ 1,271,903</u>	<u>\$ 26,410</u>	<u>\$ 2,592,303</u>

(CONCLUDED)

Vernon Parish School Board

Nonmajor Special Revenue Funds

MAINTENANCE FUNDS

Ward 1
Ward 2 - Orange
Ward 2 - Hornbeck
Ward 3
Ward 4
Ward 5
Ward 6
Ward 7
Ward 8

The maintenance funds for the various school districts are used to account for the proceeds of ad valorem taxes levied for the purpose of maintaining and improving schools within each school district.

OTHER SPECIAL FUNDS This fund represents various small state and federally funded programs for advancement of education in Vernon Parish.

8G STATE FUNDS The 8G State Fund is a program to provide enhancement to elementary, secondary and vocational programs funded through the State Minimum Foundation Program.

DRUG FREE SCHOOLS To establish state and local programs of alcohol and drug abuse education and prevention coordinated with related community efforts and resources.

ADULT EDUCATION To improve educational opportunities for adults and to encourage the establishment of adult education programs that will enable all adults to acquire basic educational skills necessary to function in a literate society, enable adults who so desire to complete secondary school, and enable adults to benefit from job training and retraining programs and obtain productive employment to more fully enjoy the benefits and responsibilities of citizenship.

Special emphasis is given to programs of instruction in computational skills and in speaking, reading, or writing English for those adults who are educationally disadvantaged.

VOCATIONAL EDUCATION

BASIC GRANTS TO STATES To make the United States more competitive in the world economy by developing more fully the academic and occupational skills of all segments of the population, principally through concentrating resources on improving educational programs leading to academic and occupational skills needed to work in a technologically advanced society.

TECH-PREP EDUCATION To distribute funds to states to enable them to provide planning and demonstration grants to consortia of local educational agencies and postsecondary educational agencies, for the development and operation of four-year programs designed to provide a tech-prep education program leading to a two-year associate degree or a two-year certificate and to provide, in a systematic manner, strong, comprehensive links between secondary schools and postsecondary educational institutions.

SPECIAL EDUCATION To provide grants to states to assist them in providing a free appropriate public education to all children with disabilities.

(Continued)

Vernon Parish School Board

SCHOOL FOOD SERVICE To assist through grants and food donations in providing a nutritious breakfast and lunch service for school students and to encourage the domestic consumption of nutritious agricultural commodities.

FOOD PROCESSING CENTERS The food processing centers receive revenues from sales and services for the purpose of operating the food processing centers.

TITLE I To improve the educational opportunities of educationally deprived children by helping them succeed in the regular school program, attain grade level proficiency and improve achievement in basic and more advanced skills. Primarily for provision of compensatory instructional activities to educationally deprived children that reside in low-income areas and have been selected on the basis of a needs assessment. Services supplement, not supplant, those normally provided by state and local educational agencies.

TITLE VI To assist state and local educational agencies to improve elementary and secondary education.

Funds may be used for: innovative assistance in the acquisition and use of instructional materials; technology related to the implementation of school bus reforms; promising education reform projects; promoting higher order thinking skills of disadvantaged students; and reform activities associated with Goals 2000.

MATH AND SCIENCE - TITLE II To ensure that teachers, staff and administrators have access to sustained and intensive high-quality professional development. To challenge state content standards in core academic subjects.

SALES TAX Vernon Parish School Board is the centralized sales tax collection agency for all taxing authorities in Vernon Parish. As a result, Vernon Parish School Board receives a fee of 1.5 percent of collections for performing the duties of collection agency. Expenditures are the cost of operating the sales tax department.

HEAD START To provide comprehensive health, educational, nutritional, social and other services primarily to economically disadvantaged preschool children, including Indian children on federally-recognized reservations, and children of migratory workers and their families; and to involve parents in activities with their children so that the children will attain overall social competence.

PRESCHOOL To provide grants to states to assist them in providing a free appropriate public education to preschool disabled children aged three through five years.

(Concluded)

VERNON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2002

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
ASSETS				
Cash and cash equivalents	\$ 326,036	\$ 23,445	\$ 13,969	\$ 2,168
Investments	43,739	46,905	39	208,143
Receivables	150	0	0	0
Interfund receivables	0	0	248	0
Inventory	0	0	0	0
TOTAL ASSETS	<u>369,925</u>	<u>70,350</u>	<u>14,256</u>	<u>210,311</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts, salaries and other payables	29,517	13,256	7,687	1,994
Interfund payables	0	0	0	0
Deferred revenue	0	0	0	0
Total Liabilities	<u>29,517</u>	<u>13,256</u>	<u>7,687</u>	<u>1,994</u>
Fund Balances:				
Unreserved - undesignated	<u>340,408</u>	<u>57,094</u>	<u>6,569</u>	<u>208,317</u>
Total Fund Balances	<u>340,408</u>	<u>57,094</u>	<u>6,569</u>	<u>208,317</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 369,925</u>	<u>\$ 70,350</u>	<u>\$ 14,256</u>	<u>\$ 210,311</u>

Exhibit 4

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8
\$ 49,452	\$ 122,860	\$ 29,973	\$ 24,955	\$ 24,603
81,817	13,795	23,374	58	93
5,025	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>136,294</u>	<u>136,655</u>	<u>53,347</u>	<u>25,013</u>	<u>24,696</u>
5,380	7,061	964	7,324	9,062
0	0	0	0	0
0	0	0	0	0
<u>5,380</u>	<u>7,061</u>	<u>964</u>	<u>7,324</u>	<u>9,062</u>
<u>130,914</u>	<u>129,594</u>	<u>52,383</u>	<u>17,689</u>	<u>15,634</u>
<u>130,914</u>	<u>129,594</u>	<u>52,383</u>	<u>17,689</u>	<u>15,634</u>
\$ <u>136,294</u>	\$ <u>136,655</u>	\$ <u>53,347</u>	\$ <u>25,013</u>	\$ <u>24,696</u>

(CONTINUED)

VERNON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2002

	<u>OTHER SPECIAL FUNDS</u>	<u>8G STATE FUNDS</u>	<u>DRUG FREE SCHOOLS</u>
ASSETS			
Cash and cash equivalents	\$ 10,321	\$ 0	\$ 0
Investments	0	0	0
Receivables	141,625	55,631	13,886
Interfund receivables	2,207	10,240	0
Inventory	0	0	0
TOTAL ASSETS	<u>154,153</u>	<u>65,871</u>	<u>13,886</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	8,393	24,320	0
Interfund payables	126,454	38,965	13,886
Deferred revenue	0	2,586	0
Total Liabilities	<u>134,847</u>	<u>65,871</u>	<u>13,886</u>
Fund Balances:			
Unreserved - undesignated	<u>19,306</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>19,306</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 154,153</u>	<u>\$ 65,871</u>	<u>\$ 13,886</u>

Exhibit 4

ADULT EDUCATION	VOCATIONAL EDUCATION	SPECIAL EDUCATION	SCHOOL FOOD SERVICE	FOOD PROCESSING CENTERS
\$ 0	\$ 10,805	\$ 0	\$ 305,570	\$ 1,037
0	0	0	547	0
42,144	70,046	134,278	18,574	0
7,745	13,741	0	215,975	0
0	0	0	64,810	0
<u>49,889</u>	<u>94,592</u>	<u>134,278</u>	<u>605,476</u>	<u>1,037</u>
14,672	17,286	62,901	302,736	175
33,768	47,126	58,816	0	0
1,449	0	12,561	25,031	0
<u>49,889</u>	<u>64,412</u>	<u>134,278</u>	<u>327,767</u>	<u>175</u>
0	30,180	0	277,709	862
0	30,180	0	277,709	862
<u>\$ 49,889</u>	<u>\$ 94,592</u>	<u>\$ 134,278</u>	<u>\$ 605,476</u>	<u>\$ 1,037</u>

(CONTINUED)

VERNON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2002

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>MATH AND SCIENCE - TITLE II</u>
ASSETS			
Cash and cash equivalents	\$ 0	\$ 0	\$ 0
Investments	0	0	0
Receivables	404,523	95,851	1,057
Interfund receivables	0	21,582	898
Inventory	0	0	0
TOTAL ASSETS	<u>404,523</u>	<u>117,433</u>	<u>1,955</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, salaries and other payables	145,125	56,931	141
Interfund payables	258,218	55,448	1,814
Deferred revenue	1,180	5,054	0
Total Liabilities	<u>404,523</u>	<u>117,433</u>	<u>1,955</u>
Fund Balances:			
Unreserved - undesignated	0	0	0
Total Fund Balances	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 404,523</u>	<u>\$ 117,433</u>	<u>\$ 1,955</u>

Exhibit 4

<u>SALES TAX</u>	<u>HEAD START</u>	<u>PRESCHOOL</u>	<u>TOTAL</u>
\$ 38,562	\$ 7,093	\$ 5,057	\$ 995,906
0	0	0	418,510
17,518	391,126	116,618	1,508,052
0	0	2,921	275,557
0	0	0	64,810
<u>56,080</u>	<u>398,219</u>	<u>124,596</u>	<u>3,262,835</u>
3,665	136,211	57,805	912,606
52,177	181,424	66,791	934,887
0	73,491	0	121,352
<u>55,842</u>	<u>391,126</u>	<u>124,596</u>	<u>1,968,845</u>
238	7,093	0	1,293,990
238	7,093	0	1,293,990
<u>\$ 56,080</u>	<u>\$ 398,219</u>	<u>\$ 124,596</u>	<u>\$ 3,262,835</u>

(CONCLUDED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2002

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
REVENUES				
Local sources:				
Ad valorem taxes	\$ 422,589	\$ 50,636	\$ 29,227	\$ 88,549
Interest earnings	5,395	1,913	252	6,209
Food services	0	0	0	0
Other	16,397	0	0	0
State sources:				
Equalization	0	0	0	0
Other	59,097	21,742	11,195	9,437
Federal sources	0	0	0	0
Total Revenues	<u>503,478</u>	<u>74,291</u>	<u>40,674</u>	<u>104,195</u>
EXPENDITURES				
Current:				
Instruction:				
Regular programs	2,128	1,683	112	1,909
Special programs	1,379	0	0	0
Other instructional programs	57,979	6,297	1,982	10,946
Support services:				
Student services	0	280	0	0
Instructional staff support	0	0	0	0
General administration	14,444	4,279	888	2,851
School administration	10,280	0	1,593	0
Business services	0	0	0	0
Plant services	228,358	89,804	35,188	56,493
Student transportation services	25,582	4,095	7,881	7,795
Food services	51	0	0	0
Capital Outlay	9,295	2,600	0	75,800
Debt service:				
Principal retirement	12,871	0	0	0
Interest and bank charges	3,526	0	0	0
Total Expenditures	<u>365,893</u>	<u>109,038</u>	<u>47,644</u>	<u>155,794</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>\$ 137,585</u>	<u>\$ (34,747)</u>	<u>\$ (6,970)</u>	<u>\$ (51,599)</u>

Exhibit 5

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8
\$ 128,419	\$ 180,109	\$ 32,849	\$ 118,535	\$ 28,355
2,978	3,246	969	1,136	368
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
17,207	9,984	6,308	22,864	7,823
0	0	0	0	0
148,604	193,339	40,126	142,535	36,546
547	377	0	1,850	0
0	0	0	0	0
34,153	6,925	3,530	23,656	4,140
0	7,195	0	0	0
0	0	0	0	0
4,122	6,252	1,108	1,442	953
1,836	3,281	0	0	0
0	0	0	0	0
91,647	34,187	18,727	105,021	23,286
8,140	1,949	4,699	46,971	795
0	0	0	0	0
0	257,666	0	52,581	6,694
0	0	0	0	0
0	0	0	0	0
140,445	317,832	28,064	231,521	35,868
\$ 8,159	\$ (124,493)	\$ 12,062	\$ (88,986)	\$ 678

(CONTINUED)

VERNON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2002

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 0	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	137,585	(34,747)	(6,970)	(51,599)
FUND BALANCES - BEGINNING	<u>202,823</u>	<u>91,841</u>	<u>13,539</u>	<u>259,916</u>
FUND BALANCES - ENDING	<u>\$ 340,408</u>	<u>\$ 57,094</u>	<u>\$ 6,569</u>	<u>\$ 208,317</u>

Exhibit 5

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8
\$ 0	\$ 0	\$ 0	\$ 62,083	\$ 0
0	0	0	(25,000)	0
0	0	0	37,083	0
8,159	(124,493)	12,062	(51,903)	678
122,755	254,087	40,321	69,592	14,956
\$ 130,914	\$ 129,594	\$ 52,383	\$ 17,689	\$ 15,634

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2002

	OTHER SPECIAL FUNDS	8G STATE FUNDS	DRUG FREE SCHOOLS
REVENUES			
Local sources:			
Ad valorem taxes	\$ 0	\$ 0	\$ 0
Interest earnings	0	0	0
Food services	0	0	0
Other	0	0	0
State sources:			
Equalization	0	0	0
Other	280,185	222,374	0
Federal sources	<u>121,802</u>	<u>6,600</u>	<u>43,566</u>
 Total Revenues	 <u>401,987</u>	 <u>228,974</u>	 <u>43,566</u>
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	293,578	64,320	4,452
Special programs	25,545	117,318	714
Other instructional programs	2,963	0	339
Support services:			
Student services	892	5,898	13,908
Instructional staff support	70,240	13,313	22,620
General administration	0	216	850
School administration	3,138	0	683
Business services	0	0	0
Plant services	482	0	0
Student transportation services	0	0	0
Food services	0	0	0
Capital Outlay	2,899	29,499	0
Debt service:			
Principal retirement	0	0	0
Interest and bank charges	<u>0</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>399,737</u>	 <u>230,564</u>	 <u>43,566</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>\$ 2,250</u>	 <u>\$ (1,590)</u>	 <u>\$ 0</u>

Exhibit 5

ADULT EDUCATION	VOCATIONAL EDUCATION	SPECIAL EDUCATION	SCHOOL FOOD SERVICE	FOOD PROCESSING CENTERS
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	3,894	0
0	0	0	751,751	0
0	0	0	0	13,703
0	0	0	459,101	0
115,405	74,163	24,336	0	0
115,781	246,760	1,211,053	2,103,547	0
231,186	320,923	1,235,389	3,318,293	13,703
1,635	52,482	38,388	0	0
344	630	623,503	0	0
153,241	175,587	0	0	0
0	8,591	168,277	0	0
75,432	33,486	222,070	0	0
416	1,752	49,507	5,000	0
49	204	35,308	0	0
84	0	8,393	0	0
72	11,976	32,770	22,423	18,396
0	114	2,582	330	0
0	0	0	3,944,249	0
0	5,921	54,591	24,755	0
0	0	0	0	0
0	0	0	0	0
231,273	290,743	1,235,389	3,996,757	18,396
\$ (87)	\$ 30,180	\$ 0	\$ (678,464)	\$ (4,693)

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2002

	OTHER SPECIAL FUNDS	8G STATE FUNDS	DRUG FREE SCHOOLS
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	2,250	(1,590)	0
FUND BALANCES - BEGINNING	<u>17,056</u>	<u>1,590</u>	<u>0</u>
FUND BALANCES - ENDING	<u>\$ 19,306</u>	<u>\$ 0</u>	<u>\$ 0</u>

Exhibit 5

ADULT EDUCATION	VOCATIONAL EDUCATION	SPECIAL EDUCATION	SCHOOL FOOD SERVICE	FOOD PROCESSING CENTERS
\$ 0	\$ 0	\$ 0	\$ 824,025	\$ 0
0	0	0	0	0
0	0	0	824,025	0
(87)	30,180	0	145,561	(4,693)
87	0	0	132,148	5,555
\$ 0	\$ 30,180	\$ 0	\$ 277,709	\$ 862

(CONTINUED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2002

	TITLE I	TITLE VI	MATH AND SCIENCE- TITLE II
REVENUES			
Local sources:			
Ad valorem taxes	\$ 0	\$ 0	\$ 0
Interest earnings	0	0	0
Food services	0	0	0
Other	0	0	0
State sources:			
Equalization	0	0	0
Other	0	0	0
Federal sources	1,521,869	464,005	64,111
Total Revenues	1,521,869	464,005	64,111
EXPENDITURES			
Current:			
Instruction:			
Regular programs	4,245	419,003	46,385
Special programs	1,312,536	0	16,268
Other instructional programs	0	34,480	0
Support services:			
Student services	1,080	0	0
Instructional staff support	99,433	0	0
General administration	44,692	10,522	1,458
School administration	386	0	0
Business services	1,594	0	0
Plant services	36,084	0	0
Student transportation services	0	0	0
Food services	0	0	0
Capital Outlay	21,819	0	0
Debt service:			
Principal retirement	0	0	0
Interest and bank charges	0	0	0
Total Expenditures	1,521,869	464,005	64,111
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	\$ 0	\$ 0	\$ 0

Exhibit 5

<u>SALES TAX</u>	<u>HEAD START</u>	<u>PRESCHOOL</u>	<u>TOTAL</u>
\$ 0	\$ 0	\$ 0	\$ 1,079,268
0	0	0	26,360
0	0	0	751,751
220,418	20	0	250,538
0	0	0	459,101
0	0	204,470	1,086,590
0	1,476,533	162,625	7,538,252
220,418	1,476,553	367,095	11,191,860
0	7,321	204,565	1,144,980
0	1,110,879	136,519	3,345,635
0	191	0	516,409
0	0	0	206,121
0	201,848	19,624	758,066
69,404	86,218	4,197	310,571
0	0	0	56,758
3,051	0	0	13,122
1,707	104	21	806,746
0	21	2,169	113,123
0	0	0	3,944,300
0	67,574	0	611,694
0	0	0	12,871
0	0	0	3,526
74,162	1,474,156	367,095	11,843,922
\$ 146,256	\$ 2,397	\$ 0	\$ (652,062)

(CONTINUED)

VERNON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2002

	<u>TITLE I</u>	<u>TITLE VI</u>	<u>MATH AND SCIENCE- TITLE II</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 0	\$ 0	\$ 0
Transfers out	0	0	0
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balances	0	0	0
FUND BALANCES - BEGINNING	0	0	0
FUND BALANCES - ENDING	\$ 0	\$ 0	\$ 0

Exhibit 5

<u>SALES TAX</u>	<u>HEAD START</u>	<u>PRESCHOOL</u>	<u>TOTAL</u>
\$ 0	\$ 0	\$ 0	\$ 886,108
<u>(180,177)</u>	<u>0</u>	<u>0</u>	<u>(205,177)</u>
(180,177)	0	0	680,931
(33,921)	2,397	0	28,869
<u>34,159</u>	<u>4,696</u>	<u>0</u>	<u>1,265,121</u>
<u>\$ 238</u>	<u>\$ 7,093</u>	<u>\$ 0</u>	<u>\$ 1,293,990</u>

(CONCLUDED)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-1

*****WARD 1 MAINTENANCE*****			
			VARIANCE
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 422,500	\$ 422,589	\$ 89
Interest earnings	5,200	5,395	195
State sources: Other	59,100	59,097	(3)
Total Revenues	486,800	487,081	281
EXPENDITURES			
Current:			
Instruction:			
Regular programs	2,128	2,128	0
Special programs	1,379	1,379	0
Other instructional programs	58,693	57,979	714
Support services:			
General administration	14,445	14,444	1
School administration	10,281	10,280	1
Plant services	240,426	237,653	2,773
Student transportation services	25,574	25,582	(8)
Food services	51	51	0
Total Expenditures	352,977	349,496	3,481
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	133,823	137,585	3,762
FUND BALANCE AT BEGINNING OF YEAR	202,823	202,823	0
FUND BALANCE AT END OF YEAR	\$ 336,646	\$ 340,408	\$ 3,762

VERNON PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002**

Exhibit 6-2

*****WARD 2 - ORANGE MAINTENANCE*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 51,000	\$ 50,636	\$ (364)
Interest earnings	2,000	1,913	(87)
State sources: Other	<u>21,742</u>	<u>21,742</u>	<u>0</u>
 Total Revenues	 <u>74,742</u>	 <u>74,291</u>	 <u>(451)</u>
 EXPENDITURES			
Current:			
Instruction:			
Regular instruction	1,683	1,683	0
Other instructional programs	6,300	6,297	3
Support services:			
Student services	280	280	0
General administration	4,265	4,279	(14)
Plant services	93,521	92,404	1,117
Student transportation services	4,095	4,095	0
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
 Total Expenditures	 <u>110,144</u>	 <u>109,038</u>	 <u>1,106</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 (35,402)	 (34,747)	 655
 FUND BALANCE AT BEGINNING OF YEAR	 <u>91,841</u>	 <u>91,841</u>	 <u>0</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ 56,439</u>	 <u>\$ 57,094</u>	 <u>\$ 655</u>

VERNON PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002**

Exhibit 6-3

*******WARD 2 - HORNBECK MAINTENANCE*******

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 29,500	\$ 29,227	\$ (273)
Interest earnings	250	252	2
State sources: Other	<u>11,195</u>	<u>11,195</u>	<u>0</u>
 Total Revenues	 <u>40,945</u>	 <u>40,674</u>	 <u>(271)</u>
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	113	113	0
Other instructional programs	2,000	1,982	18
Support services:			
General administration	0	888	(888)
School administration	1,594	1,593	1
Plant services	34,410	35,188	(778)
Student transportation services	<u>7,884</u>	<u>7,881</u>	<u>3</u>
 Total Expenditures	 <u>46,001</u>	 <u>47,645</u>	 <u>(1,644)</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 <u>(5,056)</u>	 <u>(6,971)</u>	 <u>(1,915)</u>
 OTHER FINANCING SOURCES (USES)			
Transfers in	0	15,391	15,391
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>
 Total Other Financing Sources (Uses)	 <u>0</u>	 <u>15,391</u>	 <u>15,391</u>
 Net Change in Fund Balances	 <u>(5,056)</u>	 <u>8,420</u>	 <u>13,476</u>
 FUND BALANCE AT BEGINNING OF YEAR	 <u>13,539</u>	 <u>13,539</u>	 <u>0</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ 8,483</u>	 <u>\$ 21,959</u>	 <u>\$ 13,476</u>

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-4

*****WARD 3 MAINTENANCE*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 88,600	\$ 88,549	\$ (51)
Interest earnings	5,900	6,209	309
State sources: Other	9,437	9,437	0
Total Revenues	103,937	104,195	258
EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,909	1,909	0
Other instructional programs	10,946	10,946	0
Support services:			
General administration	9,951	9,951	0
School administration	0	0	0
Plant services	57,514	56,493	1,021
Student transportation services	76,649	76,495	154
Total Expenditures	156,969	155,794	1,175
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(53,032)	(51,599)	1,433
FUND BALANCE AT BEGINNING OF YEAR	259,916	259,916	0
FUND BALANCE AT END OF YEAR	\$ 206,884	\$ 208,317	\$ 1,433

VERNON PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002**

Exhibit 6-5

*****WARD 4 MAINTENANCE*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 128,500	\$ 128,419	\$ (81)
Interest earnings	2,800	2,978	178
State sources: Other	<u>12,207</u>	<u>17,207</u>	<u>5,000</u>
 Total Revenues	 <u>143,507</u>	 <u>148,604</u>	 <u>5,097</u>
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	547	547	0
Other instructional programs	36,000	34,153	1,847
Support services:			
General administration	4,262	4,122	140
School administration	0	1,836	(1,836)
Plant services	93,971	91,647	2,324
Student transportation services	<u>6,839</u>	<u>8,140</u>	<u>(1,301)</u>
 Total Expenditures	 <u>141,619</u>	 <u>140,445</u>	 <u>1,174</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 1,888	 8,159	 6,271
 FUND BALANCE AT BEGINNING OF YEAR	 <u>122,755</u>	 <u>122,755</u>	 <u>0</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ 124,643</u>	 <u>\$ 130,914</u>	 <u>\$ 6,271</u>

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-6

*****WARD 5 MAINTENANCE*****			
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 180,250	\$ 180,109	\$ (141)
Interest earnings	3,100	3,246	146
State sources: Other	9,984	9,984	0
	<u>193,334</u>	<u>193,339</u>	<u>5</u>
Total Revenues			
EXPENDITURES			
Current:			
Instruction:			
Regular programs	377	377	0
Other instructional programs	6,925	6,925	0
Support services:			
Student services	7,195	7,195	0
General administration	6,252	6,252	0
School administration	3,281	3,281	0
Plant services	146,493	144,895	1,598
Student transportation services	72,451	72,451	0
Capital Outlay	76,456	76,456	0
	<u>319,430</u>	<u>317,832</u>	<u>1,598</u>
Total Expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(126,096)	(124,493)	1,603
FUND BALANCE AT BEGINNING OF YEAR	254,087	254,087	0
FUND BALANCE AT END OF YEAR	\$ 127,991	\$ 129,594	\$ 1,603

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-7

*****WARD 6 MAINTENANCE*****

			VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGET	ACTUAL	
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 32,900	\$ 32,849	\$ (51)
Interest earnings	905	969	64
State sources: Other	6,308	6,308	0
	<u>40,113</u>	<u>40,126</u>	<u>13</u>
Total Revenues			
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	3,530	3,530	0
Support services:			
General administration	1,108	1,108	0
Plant services	19,322	18,727	595
Student transportation services	4,784	4,699	85
	<u>28,744</u>	<u>28,064</u>	<u>680</u>
Total Expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	11,369	12,062	693
FUND BALANCE AT BEGINNING OF YEAR	40,321	40,321	0
FUND BALANCE AT END OF YEAR	\$ 51,690	\$ 52,383	\$ 693

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-8

*****WARD 7 MAINTENANCE*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 118,750	\$ 118,535	\$ (215)
Interest earnings	1,100	1,136	36
State sources: Other	22,864	22,864	0
Total Revenues	142,714	142,535	(179)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,850	1,850	0
Other instructional programs	26,000	23,656	2,344
Support services:			
General administration	3,842	3,842	0
School administration	2,406	2,406	0
Plant services	101,583	105,096	(3,513)
Student transportation services	73,136	71,971	1,165
Capital Outlay	22,700	22,700	0
Total Expenditures	231,517	231,521	(4)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(88,803)	(88,986)	(183)
OTHER FINANCING SOURCES (USES)			
Transfers in	62,083	62,083	0
Transfers out	(25,000)	(25,000)	0
Total Other Financing Sources (Uses)	37,083	37,083	0
Net Change in Fund Balances	(51,720)	(51,903)	(183)
FUND BALANCE AT BEGINNING OF YEAR	69,592	69,592	0
FUND BALANCE AT END OF YEAR	\$ 17,872	\$ 17,689	\$ (183)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-9

*****WARD 8 MAINTENANCE*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Taxes:			
Ad valorem	\$ 28,355	\$ 28,355	\$ 0
Interest earnings	338	368	30
State sources: Other	7,823	7,823	0
Total Revenues	36,516	36,546	30
EXPENDITURES			
Current:			
Instruction:			
Other instructional programs	4,140	4,140	0
Support services:			
General administration	953	953	0
Plant services	30,500	29,980	520
Student transportation services	821	795	26
Total Expenditures	36,414	35,868	546
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	102	678	576
FUND BALANCE AT BEGINNING OF YEAR	14,956	14,956	0
FUND BALANCE AT END OF YEAR	\$ 15,058	\$ 15,634	\$ 576

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-10

*****OTHER SPECIAL FUNDS*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	\$ 280,184	\$ 280,185	\$ 1
Federal sources	125,569	126,566	997
Total Revenues	405,753	406,751	998
EXPENDITURES			
Current:			
Instruction:			
Regular programs	296,461	296,917	(456)
Special programs	25,545	25,545	0
Other instructional programs	2,964	2,963	1
Support services:			
Student services	894	892	2
Instructional staff support	69,221	70,240	(1,019)
School administration	3,137	3,138	(1)
Plant services	483	482	1
Total Expenditures	398,705	400,177	(1,472)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	7,048	6,574	(474)
FUND BALANCE AT BEGINNING OF YEAR	17,056	17,056	0
FUND BALANCE AT END OF YEAR	\$ 24,104	\$ 23,630	\$ (474)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-11

*****8G STATE FUNDS*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	\$ 220,950	\$ 222,374	\$ 1,424
Federal sources	6,600	6,600	0
Total Revenues	227,550	228,974	1,424
EXPENDITURES			
Current:			
Instruction:			
Regular programs	89,809	85,488	4,321
Special programs	118,403	117,318	1,085
Support services:			
Student services	5,896	5,898	(2)
Instructional staff support	13,313	13,313	0
General administration	129	216	(87)
Total Expenditures	227,550	222,233	5,317
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	6,741	6,741
FUND BALANCE AT BEGINNING OF YEAR	0	(2,731)	(2,731)
FUND BALANCE AT END OF YEAR	\$ 0	\$ 4,010	\$ 4,010

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-12

*****DRUG FREE SCHOOLS*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 48,897	\$ 43,566	\$ (5,331)
Total Revenues	48,897	43,566	(5,331)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	4,889	4,353	536
Special programs	978	714	264
Other instructional programs	489	339	150
Support services:			
Student services	15,647	13,908	1,739
Instructional staff support	25,426	22,620	2,806
General administration	978	886	92
School administration	490	683	(193)
Total Expenditures	48,897	43,503	5,394
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	63	63
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 63	\$ (63)

VERNON PARISH SCHOOL BOARD

**NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002**

Exhibit 6-13

*****ADULT EDUCATION*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
State sources:			
Other	\$ 114,521	\$ 115,405	\$ 884
Federal sources	<u>117,409</u>	<u>117,230</u>	<u>(179)</u>
 Total Revenues	 <u>231,930</u>	 <u>232,635</u>	 <u>705</u>
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	1,635	1,635	0
Special programs	343	344	(1)
Other instructional programs	146,833	151,768	(4,935)
Support services:			
Instructional staff support	83,113	75,432	7,681
General administration	0	416	(416)
School administration	0	49	(49)
Business services	0	84	(84)
Plant services	<u>6</u>	<u>72</u>	<u>(66)</u>
 Total Expenditures	 <u>231,930</u>	 <u>229,800</u>	 <u>2,130</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 0	 2,835	 2,835
 FUND BALANCE AT BEGINNING OF YEAR	 <u>0</u>	 <u>87</u>	 <u>87</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ 0</u>	 <u>\$ 2,922</u>	 <u>\$ 2,922</u>

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-14

*****VOCATIONAL EDUCATION*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
State sources:			
Other	\$ 74,172	\$ 74,163	\$ (9)
Federal sources	<u>254,658</u>	<u>246,760</u>	<u>(7,898)</u>
 Total Revenues	 <u>328,830</u>	 <u>320,923</u>	 <u>(7,907)</u>
 EXPENDITURES			
Current:			
Instruction:			
Regular programs	56,822	58,403	(1,581)
Special programs	629	630	(1)
Other instructional programs	185,096	182,240	2,856
Support services:			
Student services	8,562	8,591	(29)
Instructional staff support	33,487	33,486	1
General administration	1,751	1,752	(1)
School administration	205	204	1
Plant services	11,976	11,976	0
Student transportation services	<u>114</u>	<u>114</u>	<u>0</u>
 Total Expenditures	 <u>298,642</u>	 <u>297,396</u>	 <u>1,246</u>
 EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	 30,188	 23,527	 (6,661)
 FUND BALANCE AT BEGINNING OF YEAR	 <u>0</u>	 <u>0</u>	 <u>0</u>
 FUND BALANCE AT END OF YEAR	 <u>\$ 30,188</u>	 <u>\$ 23,527</u>	 <u>\$ (6,661)</u>

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-15

*****SPECIAL EDUCATION*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	\$ 37,036	\$ 35,137	\$ (1,899)
Federal sources	1,211,942	1,211,053	(889)
	<u>1,248,978</u>	<u>1,246,190</u>	<u>(2,788)</u>
Total Revenues			
EXPENDITURES			
Current:			
Instruction:			
Regular programs	38,388	38,388	0
Special programs	663,958	651,094	12,864
Support services:			
Student services	168,278	168,277	1
Instructional staff support	221,325	222,070	(745)
General administration	49,508	49,507	1
School administration	35,307	35,308	(1)
Business services	8,393	8,393	0
Plant services	32,771	32,770	1
Student transportation services	2,582	2,582	0
Capital outlay	27,000	27,000	0
	<u>1,247,510</u>	<u>1,235,389</u>	<u>12,121</u>
Total Expenditures			
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,468	10,801	9,333
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 1,468	\$ 10,801	\$ 9,333

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-16

*****SCHOOL FOOD SERVICE*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Interest earnings	\$ 3,567	\$ 3,894	\$ 327
Food services	752,100	751,751	(349)
State sources:			
Equalization	0	459,101	459,101
Federal sources	2,087,939	2,087,848	(91)
Total Revenues	2,843,606	3,302,594	458,988
EXPENDITURES			
Current:			
Support services:			
General administration	5,000	5,000	0
Plant services	22,471	22,423	48
Student transportation	329	330	(1)
Food services	3,973,178	3,955,566	17,612
Total Expenditures	4,000,978	3,983,319	17,659
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(1,157,372)	(680,725)	476,647
OTHER FINANCING SOURCES (USES)			
Transfers in	1,283,127	1,283,126	(1)
Total Other Financing Sources (Uses)	1,283,127	1,283,126	(1)
Net Change in Fund Balances	125,755	602,401	476,646
FUND BALANCE AT BEGINNING OF YEAR	94,630	94,630	0
FUND BALANCE AT END OF YEAR	\$ 220,385	\$ 697,031	\$ 476,646

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-17

*****FOOD PROCESSING CENTERS*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Other	\$ 13,703	\$ 13,703	\$ 0
Total Revenues	13,703	13,703	0
EXPENDITURES			
Current:			
Support services:			
Plant services	18,582	18,396	186
Total Expenditures	18,582	18,396	186
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(4,879)	(4,693)	186
FUND BALANCE AT BEGINNING OF YEAR	5,555	5,555	0
FUND BALANCE AT END OF YEAR	\$ 676	\$ 862	\$ 186

VERNON PARISH SCHOOL BOARD
NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-18

	*****TITLE*****		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 1,808,432	\$ 1,521,869	\$ (286,563)
Total Revenues	<u>1,808,432</u>	<u>1,521,869</u>	<u>(286,563)</u>
EXPENDITURES			
Current:			
Instruction:			
Regular programs	32,120	26,064	6,056
Special programs	1,505,819	1,312,536	193,283
Support services:			
Student services	1,080	1,080	0
Instructional staff support	135,950	99,433	36,517
General administration	59,619	44,692	14,927
School administration	402	386	16
Business services	16,060	1,594	14,466
Plant services	<u>56,258</u>	<u>36,084</u>	<u>20,174</u>
Total Expenditures	<u>1,807,308</u>	<u>1,521,869</u>	<u>285,439</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	1,124	0	(1,124)
FUND BALANCE AT BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 1,124</u>	<u>\$ 0</u>	<u>\$ (1,124)</u>

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-19

*****TITLE VI*****

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Federal sources	\$ 469,059	\$ 469,059	\$ 0
Total Revenues	<u>469,059</u>	<u>469,059</u>	<u>0</u>
EXPENDITURES			
Current			
Instruction:			
Regular programs	458,971	419,003	39,968
Other instructional programs	0	34,480	(34,480)
Support services:			
General administration	<u>10,088</u>	<u>10,522</u>	<u>(434)</u>
Total Expenditures	<u>469,059</u>	<u>464,005</u>	<u>5,054</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	5,054	5,054
FUND BALANCE AT BEGINNING OF YEAR	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	<u>\$ 0</u>	<u>\$ 5,054</u>	<u>\$ 5,054</u>

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-20

*****MATH AND SCIENCE - TITLE II*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Federal sources	\$ 81,468	\$ 63,970	\$ (17,498)
Total Revenues	81,468	63,970	(17,498)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	53,496	46,385	7,111
Special programs	27,390	16,268	11,122
Support services:			
General administration	582	1,458	(876)
Total Expenditures	81,468	64,111	17,357
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	(141)	(141)
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ (141)	\$ (141)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-21

*****SALES TAX*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Local sources:			
Other	\$ 224,191	\$ 220,418	\$ (3,773)
Total Revenues	224,191	220,418	(3,773)
EXPENDITURES			
Current:			
Support services:			
General administration	64,896	69,404	(4,508)
Business services	2,253	3,051	(798)
Plant services	3,792	1,707	2,085
Total Expenditures	70,941	74,162	(3,221)
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	153,250	146,256	(6,994)
OTHER FINANCING SOURCES (USES)			
Transfers out	(128,000)	(180,177)	52,177
Total Other Financing Sources (Uses)	(128,000)	(180,177)	52,177
Net Change in Fund Balances	25,250	(33,921)	(59,171)
FUND BALANCE AT BEGINNING OF YEAR	0	34,159	34,159
FUND BALANCE AT END OF YEAR	\$ 25,250	\$ 238	\$ (25,012)

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-22

*****HEAD START*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Other local revenue	\$ 0	\$ 20	\$ 20
Federal sources	1,550,024	1,550,024	0
Total Revenues	1,550,024	1,550,044	20
EXPENDITURES			
Current:			
Instruction:			
Regular programs	9,056	7,321	1,735
Other instructional programs	1,273,375	1,111,070	162,305
Support services:			
Instructional staff support	193,750	201,848	(8,098)
General administration	45,360	86,218	(40,858)
Plant services	19,649	18,104	1,545
Student transportation services	6,438	14,821	(8,383)
Total Expenditures	1,547,628	1,439,382	108,246
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	2,396	110,662	108,266
FUND BALANCE AT BEGINNING OF YEAR	4,696	4,696	0
FUND BALANCE AT END OF YEAR	\$ 7,092	\$ 115,358	\$ 108,266

VERNON PARISH SCHOOL BOARD

NONMAJOR SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
For the Year Ended June 30, 2002

Exhibit 6-23

*****PRESCHOOL*****

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
State sources:			
Other	\$ 204,470	\$ 204,470	\$ 0
Federal sources	190,812	162,625	(28,187)
Total Revenues	395,282	367,095	(28,187)
EXPENDITURES			
Current:			
Instruction:			
Regular programs	241,147	204,565	36,582
Special programs	124,435	136,519	(12,084)
Support services:			
Instructional staff support	23,554	19,624	3,930
General administration	3,956	4,197	(241)
Plant services	21	21	0
Student transportation services	2,169	2,169	0
Total Expenditures	395,282	367,095	28,187
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	0	0	0
FUND BALANCE AT BEGINNING OF YEAR	0	0	0
FUND BALANCE AT END OF YEAR	\$ 0	\$ 0	\$ 0

Vernon Parish School Board

Nonmajor Debt Service Funds

Ward No. 1
Ward No. 2 - Orange
Ward No. 2 - Hornbeck
Ward No. 3
Ward No. 4
Ward No. 5
Ward No. 6
Ward No. 7
Ward No. 8

The debt service funds are used to accumulate monies to pay outstanding bond issues. The bonds were issued by the respective school districts to acquire lands for building sites and to purchase, erect, and improve school buildings, equipment, and furnishings. The bond issues are financed by an ad valorem tax on property within the territorial boundaries of the respective wards.

VERNON PARISH SCHOOL BOARD

NONMAJOR DEBT SERVICE FUNDS

Combining Balance Sheet

June 30, 2002

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
ASSETS				
Cash and cash equivalents	\$ 22,011	\$ 8,947	\$ 19,203	\$ 2,723
Investments	100	102,049	27,390	98,649
Receivables	44	1	1	0
	<u>22,155</u>	<u>110,997</u>	<u>46,594</u>	<u>101,372</u>
TOTAL ASSETS				
	<u>22,155</u>	<u>110,997</u>	<u>46,594</u>	<u>101,372</u>
Fund Balances:				
Reserved for debt service	<u>22,155</u>	<u>110,997</u>	<u>46,594</u>	<u>101,372</u>
TOTAL FUND BALANCES	<u>\$ 22,155</u>	<u>\$ 110,997</u>	<u>\$ 46,594</u>	<u>\$ 101,372</u>

Exhibit 7

<u>WARD 4</u>	<u>WARD 5</u>	<u>WARD 6</u>	<u>WARD 7</u>	<u>WARD 8</u>	<u>TOTAL</u>
\$ 84,130	\$ 10,719	\$ 84,245	\$ 7,204	\$ 11,728	250,910
1,496	390,899	25,146	272,928	102,225	1,020,882
63	0	1	0	1	111
<u>85,689</u>	<u>401,618</u>	<u>109,392</u>	<u>280,132</u>	<u>113,954</u>	<u>1,271,903</u>
<u>85,689</u>	<u>401,618</u>	<u>109,392</u>	<u>280,132</u>	<u>113,954</u>	<u>1,271,903</u>
<u>\$ 85,689</u>	<u>\$ 401,618</u>	<u>\$ 109,392</u>	<u>\$ 280,132</u>	<u>\$ 113,954</u>	<u>\$ 1,271,903</u>

VERNON PARISH SCHOOL BOARD
NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
For the Year Ended June 30, 2002

	<u>WARD 1</u>	<u>WARD 2 - ORANGE</u>	<u>WARD 2 - HORNBECK</u>	<u>WARD 3</u>
REVENUES				
Local sources:				
Taxes:				
Ad valorem	\$ 123,880	\$ 152,979	\$ 174,466	\$ 55,798
Interest earnings	902	3,244	1,279	3,306
Other	<u>26,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>150,782</u>	<u>156,223</u>	<u>175,745</u>	<u>59,104</u>
EXPENDITURES				
Current:				
Support services:				
General administration	29,987	5,074	5,332	1,773
Business services	0	0	0	10
Debt service:				
Principal retirement	130,000	120,000	109,000	30,000
Interest and bank charges	<u>16,910</u>	<u>48,942</u>	<u>71,169</u>	<u>55,250</u>
Total Expenditures	<u>176,897</u>	<u>174,016</u>	<u>185,501</u>	<u>87,033</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(26,115)	(17,793)	(9,756)	(27,929)
FUND BALANCES - BEGINNING	<u>48,270</u>	<u>128,790</u>	<u>56,350</u>	<u>129,301</u>
FUND BALANCES - ENDING	<u>\$ 22,155</u>	<u>\$ 110,997</u>	<u>\$ 46,594</u>	<u>\$ 101,372</u>

Exhibit 8

WARD 4	WARD 5	WARD 6	WARD 7	WARD 8	TOTAL
\$ 321,508	\$ 52,310	\$ 83,492	\$ 118,535	\$ 133,216	\$ 1,216,184
1,041	12,600	2,121	8,099	3,060	35,652
0	0	0	0	0	26,000
322,549	64,910	85,613	126,634	136,276	1,277,836
10,320	1,816	2,816	3,782	4,476	65,376
0	0	10	11	11	42
195,000	135,000	31,371	105,000	100,000	955,371
72,178	48,240	67,614	65,602	38,401	484,306
277,498	185,056	101,811	174,395	142,888	1,505,095
45,051	(120,146)	(16,198)	(47,761)	(6,612)	(227,259)
40,638	521,764	125,590	327,893	120,566	1,499,162
\$ 85,689	\$ 401,618	\$ 109,392	\$ 280,132	\$ 113,954	\$ 1,271,903

Vernon Parish School Board

Agency Funds

SCHOOL ACTIVITIES FUND The activities of the various individual school accounts are accounted for in the school activities agency fund. While the accounts are under the supervision of the School Board, they belong to the individual schools or their student bodies and are not available for use by the School Board.

SCHOLARSHIP FUND This scholarship agency fund is funded by voluntary employee contributions. The proceeds are used to provide an annual scholarship for an outstanding graduate who plans to major in education.

SALES TAX FUND The sales tax fund accounts for monies collected on behalf of the other taxing authorities in Vernon Parish. Upon receipt of sales tax returns and monies, a direct deposit is made into the bank account of the other taxing authorities.

VERNON PARISH SCHOOL BOARD

AGENCY FUNDS
Combining Statement of Assets and Liabilities
June 30, 2002

Exhibit 9

	<u>SCHOOL ACTIVITIES FUND</u>	<u>SCHOLARSHIP FUND</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 783,112	\$ 2,656	\$ 785,768
Total assets	<u>\$ 783,112</u>	<u>\$ 2,656</u>	<u>\$ 785,768</u>
LIABILITIES			
Deposits due others	\$ 783,112	\$ 2,656	\$ 785,768
Total liabilities	<u>\$ 783,112</u>	<u>\$ 2,656</u>	<u>\$ 785,768</u>

VERNON PARISH SCHOOL BOARD

AGENCY FUNDS
Combining Statement of Changes In Assets and Liabilities
For the Year Ended June 30, 2002

Exhibit 10

	Balance, Beginning	Additions	Deductions	Balance, Ending
*****SCHOOL ACTIVITIES FUND*****				
ASSETS				
Cash and cash equivalents	\$ 620,424	\$ 3,097,816	\$ 2,935,128	\$ 783,112
Total Assets	\$ 620,424	\$ 3,097,816	\$ 2,935,128	\$ 783,112
LIABILITIES				
Deposits due others	\$ 620,424	\$ 3,097,816	\$ 2,935,128	\$ 783,112
*****SCHOLARSHIP FUND*****				
ASSETS				
Cash and cash equivalents	\$ 3,208	\$ 2,528	\$ 3,080	\$ 2,656
LIABILITIES				
Deposits due others	\$ 3,208	\$ 2,528	\$ 3,080	\$ 2,656
*****SALES TAX FUND*****				
ASSETS				
Cash and cash equivalents	\$ 0	\$ 14,648,724	\$ 14,648,724	\$ 0
LIABILITIES				
Deposits due other taxing authorities	\$ 0	\$ 14,648,724	\$ 14,648,724	\$ 0
*****ALL AGENCY FUNDS*****				
ASSETS				
Cash and cash equivalents	\$ 623,632	\$ 17,749,068	\$ 17,586,932	\$ 785,768
Total Assets	\$ 623,632	\$ 17,749,068	\$ 17,586,932	\$ 785,768
LIABILITIES				
Deposits due others	\$ 623,632	\$ 3,100,344	\$ 2,938,208	\$ 785,768
Deposits due other taxing authorities	0	14,648,724	14,648,724	0
Total Liabilities	\$ 623,632	\$ 17,749,068	\$ 17,586,932	\$ 785,768

VERNON PARISH SCHOOL BOARD

SCHOOL ACTIVITIES AGENCY FUND
Schedule of Changes in Deposits Due Others
For the Year Ended June 30, 2002

Exhibit 11

SCHOOL	Balance, Beginning	Additions	Deductions	Balance, Ending
ANACOCO HIGH	\$ 26,944	\$ 217,403	\$ 205,567	\$ 38,780
ANACOCO ELEMENTARY	21,392	142,482	135,064	28,810
EAST LEESVILLE ELEMENTARY	12,908	70,191	75,677	7,422
EVANS	26,375	131,913	135,347	22,941
HICKS	22,932	140,871	123,877	39,926
HORNBECK	35,605	107,315	130,248	12,672
LEESVILLE HIGH	141,033	709,656	648,233	202,456
LEESVILLE JUNIOR HIGH	18,230	111,838	113,423	16,645
NORTH POLK ELEMENTARY	13,881	93,355	81,615	25,621
OPTIONAL SCHOOL	499	5,557	5,640	416
PICKERING HIGH	14,739	184,110	157,856	40,993
PICKERING ELEMENTARY	25,753	144,383	138,797	31,339
PITKIN HIGH	128,292	227,771	235,780	120,283
ROSEPINE HIGH	34,190	233,865	224,862	43,193
ROSEPINE ELEMENTARY	17,030	86,656	91,261	12,425
SIMPSON	22,195	147,371	128,461	41,105
SOUTH POLK ELEMENTARY	23,257	87,231	75,709	34,779
VERNON ELEMENTARY	20,898	158,842	138,877	40,863
WEST LEESVILLE ELEMENTARY	14,271	86,371	80,849	19,793
WEST LEESVILLE PRESCHOOL	<u>0</u>	<u>10,635</u>	<u>7,985</u>	<u>2,650</u>
TOTAL	<u>\$ 620,424</u>	<u>\$ 3,097,816</u>	<u>\$ 2,935,128</u>	<u>\$ 783,112</u>

**CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

VERNON PARISH SCHOOL BOARD
SCHEDULE OF CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS -
BY SOURCE
June 30, 2002

Exhibit 12

GOVERNMENTAL FUNDS CAPITAL ASSETS:

Land	\$ 1,136,870
Buildings	40,613,080
Furniture and Equipment	<u>9,749,509</u>

TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	<u>\$ 51,499,459</u>
---	----------------------

INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS:

Balance, June 30, 1987	\$ 32,661,906
Subsequent to June 30, 1987:	
From General Fund	3,072,912
From Maintenance Funds	11,523,766
From Federal Funds	3,290,692
From School Food Service Fund	449,983
From Capital Project Fund	<u>500,200</u>

TOTAL INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS	<u>\$ 51,499,459</u>
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VERNON PARISH SCHOOL BOARD

SCHEDULE OF CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS -
BY FUNCTION

June 30, 2002

Exhibit 13

<u>FUNCTION</u>	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>FURNITURE AND EQUIPMENT</u>
Instruction	\$ 44,927,368	\$ 1,136,870	\$ 37,253,735	\$ 6,536,763
General Administration	2,162,974	0	1,119,782	1,043,192
Plant services	824,834	0	0	824,834
Student Transportation	551,379	0	0	551,379
School Food Service	<u>3,032,904</u>	<u>0</u>	<u>2,239,563</u>	<u>793,341</u>
 TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	 \$ 51,499,459	 \$ 1,136,870	 \$ 40,613,080	 \$ 9,749,509

VERNON PARISH SCHOOL BOARD

SCHEDULE OF CHANGES IN CAPITAL ASSETS
USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
BY FUNCTION

Exhibit 14

For the Year Ended June 30, 2002

<u>FUNCTION</u>	<u>BALANCE, BEGINNING</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE, ENDING</u>
Instruction	\$ 44,123,626	\$ 900,383	\$ 96,641	\$ 44,927,368
General Administration	2,124,739	38,235	0	2,162,974
Plant Services	805,270	19,564	0	824,834
Student Transportation	340,673	210,706	0	551,379
School Food Service	<u>2,991,571</u>	<u>41,333</u>	<u>0</u>	<u>3,032,904</u>
 TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	 \$ 50,385,879	 \$ 1,210,221	 \$ 96,641	 \$ 51,499,459

Vernon Parish School Board

General

Exhibit 15

**Schedule of Compensation Paid Board Members
For the Year Ended June 30, 2002**

The schedule of compensation paid to the School Board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the School Board members is included in the general administrative expenditures of the general fund. In accordance with Louisiana Revised Statute 17:56, the School Board members have elected the monthly payment method of compensation. Under this method, each member of the School Board receives \$800 per month, and the president receives \$900 per month for performing the duties of his office.

Kim Reese, President	\$10,200
Alvin C. "Chuck" Dowden, Jr.	9,600
Willis A. Farris	9,600
Philip L. Gunn	9,600
B. R. Harvey	10,200
M. Gene Haymon	9,600
Jane Holton	9,600
C. A. Hughes	9,600
Gaye McKee	9,600
Murphy O'Banion	9,600
Ted Paris	9,600
W. W. "Bill" Parker	9,600
Mark H. Smith	9,600
Betty Westerchil	9,600
Linda West	<u>9,600</u>
TOTAL	<u>\$145,200</u>

Table 1

VERNON PARISH SCHOOL BOARD

Government-wide Expenses by Function
Last Four Fiscal Years
(amounts expressed in thousands)

	1999	2000	2001	2002
Governmental Activities:				
Instruction				
Regular programs	\$ 24,103	\$ 25,006	\$ 25,342	\$ 27,048
Special programs	8,552	8,814	10,749	11,220
Other instructional programs	4,227	4,003	2,405	2,584
Support services				
Student services	2,288	2,432	2,363	2,609
Instructional staff support	2,378	2,383	2,427	2,439
General administration	1,256	1,400	1,355	1,403
School administration	2,802	3,157	3,683	3,553
Business services	462	529	524	467
Plant services	5,338	5,473	5,582	5,766
Student transportation services	4,208	4,110	4,046	4,304
Central services	228	385	520	631
Food services				
Community service programs	4,063	4,072	4,145	4,262
	1	5	7	10
Interest on Long-Term Debt	561	416	589	480
Total Expenses	\$ 60,467	\$ 62,185	\$ 63,737	\$ 66,776

Source: Comprehensive Annual Financial Report

VERNON PARISH SCHOOL BOARD

Government-wide Revenues
Last Four Fiscal Years
(amounts expressed in thousands)

Year Ended June 30,	Program Revenues				General Revenues								Total	
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Property Taxes	Sales Taxes	State Revenue Sharing	Grants and Contributions Not Restricted to Specific Programs				Unrestricted Investment Earnings	Special Items		Miscellaneous
							Minimum Foundation	Impact Aid	Other					
2002	\$ 752	\$ 8,481	\$ 0	\$ 3,174	\$ 7,260	\$ 293	\$ 39,662	\$ 6,039	\$ 348	\$ 307	\$ 0	\$ 1,383	\$ 67,699	
2001	749	8,444	0	3,310	7,957	306	38,164	5,070	194	473	0	767	65,434	
2000	728	8,217	0	3,663	7,081	296	36,134	5,233	301	485	0	743	62,881	
1999	740	8,378	227	3,151	6,931	355	35,914	3,471	202	420	3	362	60,154	

Source: Comprehensive Annual Financial Statements

Table 3

VERNON PARISH SCHOOL BOARD

General Expenditures By Function - All Governmental Funds
Fiscal Year Ended June 30, 1993 through June 30, 2002

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Current:										
Instruction										
Regular programs	\$ 20,261,090	\$ 19,327,193	\$ 21,419,880	\$ 19,879,963	\$ 20,326,278	\$ 22,591,690	\$ 23,156,460	\$ 23,900,755	\$ 24,289,895	\$ 26,234,663
Special programs	7,049,246	6,295,524	8,426,359	8,281,757	7,118,602	7,010,231	8,530,402	8,735,778	10,707,116	11,177,412
Other instructional programs	350,561	1,544,866	1,222,926	2,074,205	3,300,499	4,621,013	3,944,395	3,717,206	2,027,702	2,221,787
Support services										
Student services	1,558,696	1,625,338	1,845,810	1,759,578	1,765,352	1,990,586	2,287,819	2,432,470	2,362,617	2,609,415
Instructional staff support	1,697,699	2,006,966	2,251,219	2,212,921	2,187,309	2,371,153	2,356,556	2,358,776	2,402,753	2,417,277
General administration	917,252	1,154,216	1,199,673	1,547,055	1,145,272	1,470,942	1,225,003	1,377,629	1,390,717	1,499,325
School administration	2,119,629	2,558,345	2,675,738	2,794,075	2,637,416	2,832,716	2,734,292	3,089,327	3,616,658	3,490,961
Business services	293,080	382,195	429,765	399,657	398,683	476,634	434,782	524,833	519,508	461,615
Plant services	4,467,986	4,748,897	4,912,181	4,641,655	4,679,651	4,939,685	5,299,717	5,424,293	5,531,014	5,633,988
Student transportation service	3,364,924	3,942,982	4,037,535	4,025,802	3,956,429	4,326,081	4,186,257	4,092,734	4,027,096	4,265,679
Central services	126,036	166,207	161,574	212,461	151,983	184,251	227,943	385,528	519,499	631,498
Food services	3,146,669	3,472,498	3,696,347	3,565,957	3,641,239	3,868,241	3,965,158	3,973,686	4,050,088	4,119,817
Community service programs	13,125	20,299	7,071	3,470	900	900	1,466	5,067	6,839	10,293
Capital Outlay	74,523	1,293,215	4,888,064	1,366,447	1,048,406	308,170	803,785	1,442,711	443,281	1,210,221
Debt Services:										
Principal retirement	569,520	878,861	807,583	804,621	705,204	877,331	849,514	870,431	924,239	968,242
Interest and bank charges	1,002,175	842,575	794,503	804,566	745,554	701,504	574,364	542,500	505,773	487,832
Advance refunding escrow						139,994				
Total Expenditures	\$ 47,012,211	\$ 50,260,177	\$ 58,776,228	\$ 54,374,190	\$ 53,808,777	\$ 58,711,122	\$ 60,577,913	\$ 62,873,724	\$ 63,324,795	\$ 67,440,025

Source: Comprehensive Annual Financial Report

Table 4

VERNON PARISH SCHOOL BOARD

General Revenues By Source - All Governmental Funds
Fiscal Years Ended June 30, 1993 through June 30, 2002

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Revenues from local sources:										
Ad valorem taxes	\$ 3,134,192	\$ 3,105,055	\$ 3,067,637	\$ 2,970,502	\$ 3,152,582	\$ 3,253,684	\$ 3,150,679	\$ 3,663,007	\$ 3,309,930	\$ 3,173,988
Sales and use taxes	4,577,358	4,882,592	5,063,735	5,608,037	6,473,895	7,816,490	6,931,159	7,081,312	7,957,256	7,260,026
Interest earnings	223,974	245,281	226,654	257,425	375,229	464,775	419,978	484,683	472,620	307,077
Food services	687,917	711,245	705,601	743,812	713,616	738,408	739,704	727,610	748,871	751,751
Other	147,389	184,874	572,057	239,010	281,635	346,793	361,595	816,404	833,696	752,416
Total revenues from local sources	8,770,830	9,129,047	9,635,684	9,818,786	10,996,957	12,620,150	11,603,115	12,773,016	13,322,373	12,245,258
Revenues from state sources	29,076,533	30,691,165	32,793,180	33,248,650	35,057,709	36,133,251	38,143,443	37,957,283	40,051,679	41,672,024
Revenues from federal sources	9,524,697	10,770,544	14,151,165	10,521,861	8,724,547	10,925,677	10,404,814	12,224,285	12,241,123	13,925,089
Total Revenues	\$ 47,372,060	\$ 50,590,756	\$ 56,580,029	\$ 53,589,297	\$ 54,779,213	\$ 59,679,078	\$ 60,151,372	\$ 62,954,584	\$ 65,615,175	\$ 67,842,371

Source: Comprehensive Annual Financial Report

Table 5

VERNON PARISH SCHOOL BOARD

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections		Total Tax, Interest and Penalty Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
				Delinquent Taxes	Interest and Penalty				
1992-93	\$ 3,048,228	\$ 3,025,232	99.2%	\$ 26,806	\$ 10,917	\$ 3,062,955	100.5%	\$ 51,962	1.7%
1993-94	3,037,221	3,008,323	99.0%	25,714	11,014	3,045,051	100.3%	55,240	1.8%
1994-95	2,937,328	2,918,759	99.4%	13,554	3,190	2,935,503	99.9%	71,460	2.4%
1995-96	2,983,562	2,852,180	95.6%	21,347	8,441	2,881,968	96.6%	110,922	3.7%
1996-97	3,069,674	2,937,551	95.7%	23,348	20,039	2,980,938	97.1%	113,628	3.7%
1997-98	3,164,317	3,135,680	99.1%	26,706	11,438	3,173,824	100.3%	146,201	4.6%
1998-99	3,305,382	3,114,761	94.2%	34,165	1,753	3,150,679	95.3%	152,048	4.6%
1999-00	3,464,787	3,600,378	103.9%	59,083	3,546	3,663,007	105.7%	40,729	1.2%
2000-01	3,214,006	3,222,795	100.3%	72,715	14,420	3,309,930	103.0%	N/A	0.0%
2001-02	3,249,127	3,153,340	97.1%	18,398	2,250	3,173,988	97.7%	N/A	0.0%

Source: Vernon Parish Tax Assessor
Note: Does not include Homestead Exemption
N/A: Information not available

Table 6

VERNON PARISH SCHOOL BOARD

Assessed and Estimated Actual Value of Taxable Property (1)
Last Ten Calendar Years

Year	Real Property		Personal Property		Exemptions (2)		Total		Ratio of Total Assessed Value To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Real Property		Assessed Value	Estimated Actual Value	
1992	\$ 72,850,660	\$ 568,579,121	\$ 8,621,290	\$ 57,475,267	\$ 27,604,050	\$	53,867,900	\$ 626,054,388	8.6%
1993	73,728,927	573,827,442	9,874,050	65,827,000	27,553,348		56,049,629	639,654,442	8.8%
1994	75,415,510	589,912,667	10,122,020	67,480,133	29,002,170		56,535,360	657,392,800	8.6%
1995	77,427,310	605,780,982	10,612,040	70,746,933	29,728,590		58,310,760	676,527,915	8.6%
1996	82,239,710	639,360,580	11,536,890	76,912,600	30,568,150		63,208,450	716,273,180	8.8%
1997	86,989,940	681,434,734	15,953,830	106,358,867	30,720,370		72,223,400	787,793,601	9.2%
1998	94,227,860	769,874,896	12,710,950	58,382,267	30,945,470		75,993,340	828,257,163	9.2%
1999	96,832,240	792,693,282	13,655,560	64,411,267	31,304,880		79,182,920	857,104,549	9.2%
2000	99,638,340	832,338,513	13,885,040	65,350,267	32,699,910		80,823,470	897,688,780	9.0%
2001	101,431,600	842,788,265	14,725,430	73,557,400	33,175,350		82,981,680	916,345,665	9.1%

Notes:

- (1) Total assessed value is 10% to 25% of estimated actual value.
- (2) Homestead exemption is \$75,000 estimated actual value (\$7,500 assessed value) per household.
- (3) Source: Grand Recapitulation prepared by Vernon Parish Tax Assessor

VERNON PARISH SCHOOL BOARD

Property Tax Rates and Tax Levies - All Direct and Overlapping Governments
Last Ten Calendar Years

Year	Tax Rates per \$1,000 of Assessed Value					Tax Levies						
	Parish	Sheriff	School	City of Leesville	Water District	Total	Parish	Sheriff	School	City of Leesville	Water District	Total
1992	96.20	17.94	10.87	19.71	42.00	186.72	\$ 2,062,917	\$ 1,461,616	\$ 4,874,623	\$ 448,259	\$ 182,655	\$ 9,030,070
1993	101.50	17.94	10.87	25.01	53.00	208.32	2,425,278	1,499,847	4,779,759	589,991	225,342	9,520,217
1994	101.60	17.94	10.87	25.31	71.00	226.72	2,502,348	1,534,552	4,664,524	609,458	307,625	9,618,507
1995	102.60	17.94	10.87	26.31	71.00	228.72	2,655,243	1,579,435	4,709,972	640,580	321,528	9,906,758
1996	102.60	17.94	10.87	26.31	68.00	225.72	2,868,513	1,682,356	4,819,435	657,572	329,012	10,356,888
1997	119.26	17.94	10.87	27.97	60.00	236.04	3,266,964	1,781,470	4,823,488	699,051	316,637	10,887,610
1998	119.35	17.94	10.87	28.06	57.25	233.47	3,601,238	1,918,487	4,837,164	695,364	302,378	11,354,631
1999	119.35	17.94	10.87	28.06	57.25	233.47	3,761,003	1,982,155	4,969,345	724,221	312,365	11,749,089
2000	119.35	17.94	10.87	28.06	57.25	233.47	3,818,574	2,036,614	4,695,914	741,860	328,367	11,621,329
2001	119.35	17.94	10.87	28.06	57.25	233.47	3,891,173	2,083,861	4,774,115	768,603	334,157	11,851,909

Source: Grand Recapitulation prepared by Vernon Parish Tax Assessor

Note: Includes Homestead Exemption

Table 8

VERNON PARISH SCHOOL BOARD

Ratio of Net General Obligation Bonded Debt
to Assessed Value and Net General Obligation Bonded Debt per Capita

Fiscal Year	Population (1)	Assessed Value (2)	Last Ten Fiscal Years			Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
			Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt		
1992-93	63,385	\$ 81,471,950	\$ 12,742,000	\$ 1,381,415	\$ 11,360,585	13.9%	179
1993-94	59,584	83,602,977	14,338,000	1,344,044	12,993,956	15.5%	218
1994-95	56,083	85,537,530	13,530,417	1,306,208	12,224,209	14.3%	218
1995-96	54,303	88,039,350	12,725,795	1,254,110	11,471,685	13.0%	211
1996-97	52,989	93,776,600	12,046,482	1,427,728	10,618,754	11.3%	200
1997-98	47,229	102,943,770	11,195,139	1,289,670	9,905,469	9.6%	210
1998-99	51,894	106,938,810	10,372,752	1,374,349	8,998,403	8.4%	173
1999-00	51,567	110,487,800	9,518,365	1,595,803	7,922,562	7.2%	154
2000-01	52,531	113,523,380	9,280,182	1,499,163	7,781,019	6.9%	148
2001-02	51,273	116,157,030	8,374,811	1,271,903	7,102,908	6.1%	139

Notes:

(1) Source: Northeast Louisiana University, Center for
Business & Economic Research

(2) From Table 6 - total of real property and personal property assessed value.

Table 9

VERNON PARISH SCHOOL BOARD

Statement of Direct, Overlapping, and Underlying General Obligation Bonded Debt
June 30, 2002

Name of Governmental Unit	Net Debt Outstanding	Percentage Applicable to This Unit	School Board's Share of Debt (2)
DIRECT:			
Vernon Parish School Board (3)	\$ 7,102,908	100%	\$ 7,102,908
Overlapping:			
Vernon Parish Police Jury (3)	2,115,306	100%	2,115,306
Vernon Parish Sheriff (3)	310,583	100%	310,583
City of Leesville (3)	1,726,226	14%	241,672
Total	\$ 11,255,023		\$ 9,770,469

Notes:

(1) Various taxing districts exist within Vernon Parish that involve a small percentage of Parish taxpayers. These districts' debt is not included.

(2) This represents the debt of all the constituents who reside within Vernon Parish.

(3) Financial information extracted from Annual Financial Report of respective governments.

Table 10

VERNON PARISH SCHOOL BOARD

Computation of Legal Debt Margin
June 30, 2002

Assessed value (1)	\$ 116,157,030
Debt limitation - 35 percent of assessed value	40,654,961
Amount of debt applicable to debt limit:	
Total bonded debt	\$ 8,374,811
Less: Assets in debt service funds	1,271,903
Total amount of debt applicable to debt limit	7,102,908
Legal debt margin	\$ 33,552,053

Notes:
(1) Vernon Parish Tax Assessor

VERNON PARISH SCHOOL BOARD

Ratio of Annual Debt Service Expenditures for
General Bonded Debt to Total General Expenditures

Last Ten Fiscal Years

Fiscal Year	Principal	Interest and Bank Charges	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to General Expenditures
1992-93	\$ 569,520	\$ 1,002,175	\$ 1,571,695	\$ 47,012,211	3.34%
1993-94	878,861	842,575	1,721,436	50,260,177	3.43%
1994-95	807,583	794,503	1,602,086	58,776,228	2.73%
1995-96	804,621	804,566	1,609,187	54,374,190	2.96%
1996-97	679,313	740,856	1,420,169	53,808,777	2.64%
1997-98	851,003	697,243	1,548,246	58,711,122	2.64%
1998-99	849,514	574,364	1,423,878	60,577,913	2.35%
1999-00	854,387	542,500	1,396,887	62,873,724	2.22%
2000-01	907,842	545,445	1,453,287	63,324,795	2.29%
2001-02	955,371	461,088	1,416,459	67,440,025	2.10%

Notes:

(1) Includes all governmental funds.

VERNON PARISH SCHOOL BOARD

Demographic Statistics
Last Ten Calendar Years

Calendar Year	Population (1)	Per Capita Income (1)	Median Age	School Enrollment (2)	Unemployment Rate (1)
1992	63,385	\$ 12,048	N/A	11,629	8.6%
1993	59,584	13,090	N/A	11,397	8.5%
1994	56,083	13,622	N/A	11,576	9.6%
1995	54,303	14,072	24.7	11,320	7.4%
1996	52,989	14,601	28	10,877	7.2%
1997	47,229	17,213	28	10,291	6.5%
1998	51,894	18,326	N/A	10,637	6.2%
1999	51,567	18,837	N/A	10,029	7.2%
2000	52,531	N/A	N/A	10,247	N/A
2001	51,273	N/A	28.3	10,215	6.1%

Notes:

- (1) Source: Northeast Louisiana University, Center for
Business & Economic Research
- (2) Source: Louisiana Department of Education School Directory
- N/A: Information not available

VERNON PARISH SCHOOL BOARD

Table 13

Property Value, Construction and Bank Deposits
Last Ten Calendar Years

Calendar Year	Property Value			Commercial Construction (1)		Residential Construction (1)		Bank Deposits (2)	
	Commercial	Residential	Exemptions	Total	Number of Units	Value	Number of Units		Value
1992	\$ 169,936,933	\$ 456,117,455	\$ 27,604,050	\$ 598,450,338	13	\$ 281,714	165	\$ 1,023,943	\$ 146,630,000
1993	187,478,730	452,175,712	27,553,348	612,101,094	19	530,697	76	1,576,162	157,030,000
1994	186,529,533	470,863,267	29,002,170	628,390,630	13	1,710,319	131	1,920,410	153,249,000
1995	277,655,947	398,871,969	29,728,590	646,799,326	79	570,741	45	1,466,505	150,587,000
1996	287,474,767	428,798,414	30,568,150	685,705,031	2	175,000	2	105,000	149,212,000
1997	273,598,147	514,195,454	30,720,370	757,073,231	39	6,437,700	26	90,000	151,000,000
1998	393,623,133	434,634,029	30,945,470	797,311,692	16	3,952,360	46	1,551,505	150,682,000
1999	417,624,147	439,480,402	31,304,880	825,799,669	10	1,411,340	5	190,000	151,148,000
2000	430,637,873	467,050,906	32,699,910	864,988,869	N/A	N/A	N/A	N/A	153,000,000
2001	443,987,087	472,358,579	33,175,350	883,170,316	N/A	N/A	N/A	N/A	N/A

Notes:

(1) Source: City of Leesville

(2) Source: Northeast Louisiana University, Center for Business & Economic Research

N/A: Information not available

Table 14

VERNON PARISH SCHOOL BOARD

Principal Ad Valorem Taxpayers
December 31, 2001

Name	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
Swift Energy Co.	Public Utility	\$ 6,013,290	5.44%
Bell South Telecommunications	Public Utility	4,587,870	4.15%
RME Petroleum Co.	Oil & Gas	4,537,260	4.11%
Cleco Corporation	Public Utility	3,371,300	3.05%
Merchants & Farmers Bank	Bank	2,332,360	2.11%
Boise Cascade Corp	Timber	2,012,100	1.82%
Fuels Acquisition	Oil & Gas	1,878,110	1.70%
Beauregard Electric Co-op, Inc	Public Utility	1,724,170	1.56%
Entergy Louisiana, Inc.	Public Utility	1,454,770	1.32%
Valley Electric Merbership Corporation	Public Utility	1,286,220	1.16%
Totals		\$ 29,197,450	26.43%

Source: Vernon Parish Tax Assessor

Table 15

VERNON PARISH SCHOOL BOARD

Principal Employers
June 30, 2002

Name of Business	Type of Business	Number of Employees
Fort Polk - JRTC	Military Base	5,325 *
Vernon Parish School Board	Education	1,447
Wal-Mart Supercenter	Discount Retailer	500
Byrd Regional Hospital	Medical	260
Vernon Parish Police Jury	Government	210
Vernon Parish Sheriff's Office	Law Enforcement	179
Community Care Center of Leesville	Nursing Home	150
Leesville State School	Education	125
City of Leesville	Government	110
Merchants & Farmers Bank	Banking	100
*Civilian employees		

Source: City of Leesville,
Economic Development Office

Table 16

VERNON PARISH SCHOOL BOARD

Attendance Data

Fiscal years ended June 30, 1992 through June 30, 2002

Fiscal Year	Number of Graduates	Average Daily Membership	Average Daily Attendance		
			Amount	Percent of Change	Percent of Membership
1992	529	12,151	11,576	N/A	95.27%
1993	453	9,993	9,499	-17.94%	95.06%
1994	486	10,992	10,448	9.99%	95.05%
1995	518	10,881	10,305	-1.37%	94.71%
1996	487	10,815	10,155	-1.46%	93.90%
1997	487	9,478	8,948	-11.89%	94.41%
1998	537	10,583	10,034	12.14%	94.81%
1999	484	10,710	10,094	0.60%	94.25%
2000	547	10,029	9,474	-6.14%	94.47%
2001	460	10,247	9,868	4.16%	96.30%
2002	446	9,966	9,411	-4.63%	94.43%

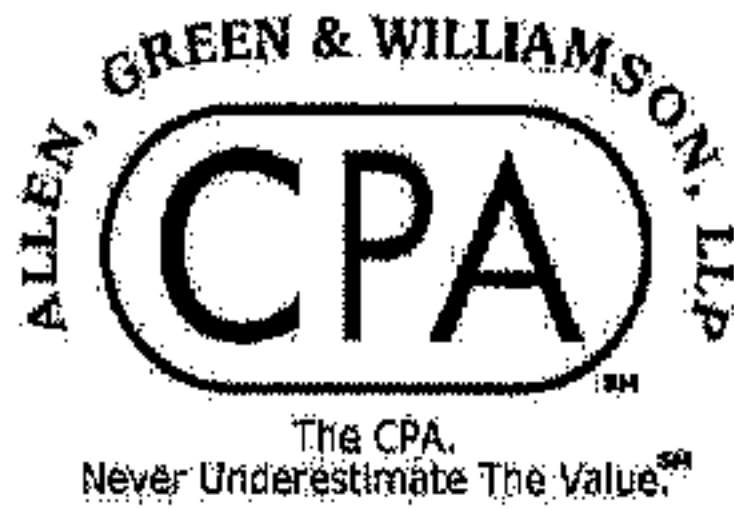
Source: School Board Child Welfare and Attendance Department

**Vernon Parish School Board
Leesville, Louisiana**

**Compliance with Single Audit Act Amendment of 1996
And Other Information
For the Year Ended June 30, 2002**

**Vernon Parish School Board
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ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2414 Ferrand Street
Monroe, LA 71201

Phone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA

Margie Williamson, CPA

Ernest L. Allen, CPA
(Retired)
1963 – 2000

Report on Compliance And on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Board Members
Vernon Parish School Board
Leesville, Louisiana

We have audited the financial statements of Vernon Parish School Board as of and for the year ended June 30, 2002, and have issued our report thereon dated September 13, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Management Letter Items

We noted an immaterial instance of noncompliance which we have reported to management of the School Board in a separate letter dated September 13, 2002, included later in this report.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Management Letter Items

We noted other matters involving the internal control over financial reporting which we have reported to management of the School Board in a separate letter dated September 13, 2002, included later in this report.

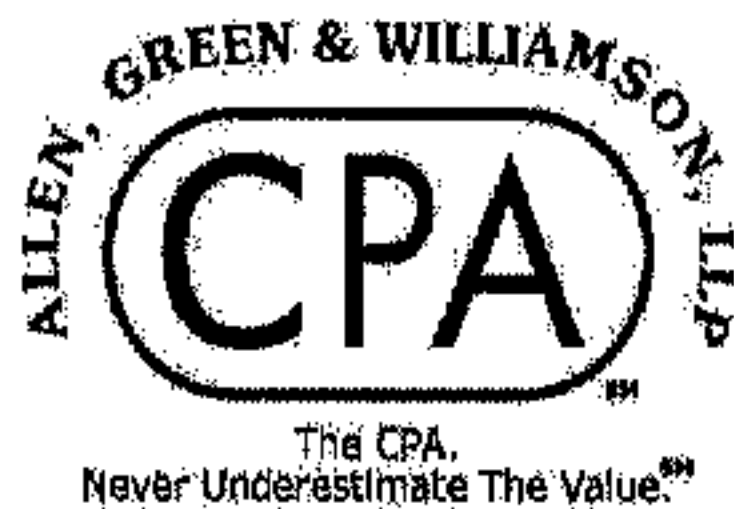
This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana

September 13, 2002



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2414 Ferrand Street
Monroe, LA 71201

Phone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

www.allengreencpa.com

Tim Green, CPA

Margie Williamson, CPA

Ernest L. Allen, CPA
(Retired)
1963 – 2000

Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular No. A-133

Board Members
Vernon Parish School Board
Leesville, Louisiana

Compliance

We have audited the compliance of Vernon Parish School Board with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular No. A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2002. The School Board's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the School Board's management. Our responsibility is to express an opinion on the School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; and OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular No. A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the School Board's compliance with those requirements.

In our opinion, the School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002.

Internal Control Over Compliance

The management of the School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular No. A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the School Board, as of and for the year ended June 30, 2002, and have issued our report thereon dated September 13, 2002. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular No. A-133 and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
September 13, 2002

Vernon Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2002

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>Number</u>	<u>CFDA Grantor No.</u>	<u>Pass-Through Expenditures</u>
CASH FEDERAL AWARDS			
United States Department of Agriculture			
Passed Through Louisiana Department of Education:			
National School Lunch Program	10.555	N/A	\$ 1,511,460
School Breakfast Program	10.553	N/A	374,849
Summer Food Program for Children	10.559	N/A	8,115
Passed Through Louisiana Department of Treasury:			
Schools and Roads - Grants to States (National Forest Lands)	10.665	N/A	<u>291,960</u>
Total United States Department of Agriculture			<u>2,186,384</u>
United States Department of Education			
Direct Programs:			
Impact Aid - Maintenance and Operation	84.041	N/A	6,038,767
Passed Through Louisiana Department of Education:			
Adult Education - State-Administered			
Basic Grant Program	84.002	N/A	115,781
Title I Grants to Local Educational Agencies			
Basic Grant Program	84.010	02-IASA-58-I	1,521,869
Special Education:			
State Grants - Part B	84.027	02-FT58	1,211,053
Preschool Grants	84.173	02-PF58	102,431
Part H - Infant/Toddler	84.181	02-IH-58-s	6,600
Vocational Education:			
Basic Grants to States	84.048	28-02-58B/BG2002	89,784
Tech-Prep Education	84.243	TP 28-02-CL-3-PE	114,127
School to Work	84.278	N/A	92,237
Innovative Education Program			
Strategies - Title VI	84.298	02-IASA-58-VI	54,218
Eisenhower Professional Development			
State Grants - (Title II)	84.281	02-IASA-58-II	64,111
Title IV (Safe and Drug-Free Schools)	84.186	02-IASA-58-IV	43,566
Goals 2000 - State and Local			
Class Size Reduction	84.340	02-01-58-6	<u>409,787</u>
Total United States Department of Education			<u>9,864,331</u>
United States Department of Health and Human Services			
Direct program - Head Start	93.600	06CH5622/30	1,476,533
Passed Through the Louisiana Department of Education:			
Payments to States for Child Care Assistance			
Temporary Assistance for Needy Families (TANF)	93.558	N/A	<u>103,043</u>
Total United States Department of Health and Human Services			<u>1,579,576</u>

**Vernon Parish School Board
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2002**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM NAME	<u>Number</u>	<u>CFDA Grantor No.</u>	<u>Pass-Through Expenditures</u>
United States Department of Defense			
Direct Programs:			
Department of The Army			
JROTC	12.609	N/A	56,110
Other Cash Federal Awards			
Passed Through the Louisiana Department of Education:			
Unisys	12.UKN	N/A	<u>29,565</u>
TOTAL CASH FEDERAL AWARDS			<u>13,715,966</u>
NONCASH FEDERAL AWARDS			
United States Department of Agriculture			
Passed Through Louisiana Department of Agriculture and Forestry:			
Food Distribution Program (Commodities)	10.550	N/A	<u>209,123</u>
TOTAL NONCASH FEDERAL AWARDS			<u>209,123</u>
TOTAL FEDERAL AWARDS			<u>\$13,925,089</u>

Vernon Parish School Board
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2002

NOTE 1 - GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Vernon Parish School Board, Leesville, Louisiana. The Vernon Parish School Board (the "School Board") reporting entity is defined in Note 1 to the School Board's general-purpose financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2 - BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School Board's general-purpose financial statements.

NOTE 3 - RELATIONSHIP TO GENERAL-PURPOSE FINANCIAL STATEMENTS Federal awards revenues are reported in the School Board's general-purpose financial statements as follows:

Federal Sources

General	\$ 6,386,837
Special Revenue:	
Other Special	121,802
8 G State Funds	6,600
Drug Free Schools	43,566
Adult Education	115,781
Vocational Education	246,760
Special Education	1,211,053
School Food Service	2,103,547
Title I	1,521,869
Title VI	464,005
Math and Science - Title II	64,111
Head Start	1,476,533
Preschool	<u>162,625</u>
Total	<u><u>\$13,925,089</u></u>

NOTE 4 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with accounting principles generally accepted in the United States of America.

NOTE 5 - MATCHING REVENUES For those funds that have matching revenues and state funding, federal expenditures were determined by deducting matching revenues from total expenditures.

NOTE 6 - NONCASH PROGRAMS The commodities received, which are noncash revenues, are valued using prices provided by the United States Department of Agriculture.

**Vernon Parish School Board
Schedule of Findings and Questioned Costs
As of and For the Year Ended June 30, 2002**

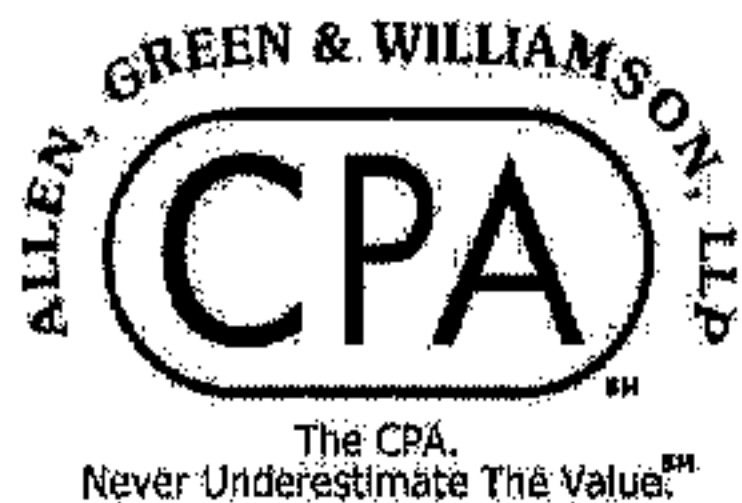
PART I - Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America.
- iii. There were no instances of noncompliance considered material to the financial statements, as defined by the Government Auditing Standards.

Audit of Federal Awards

- iv. There were no reportable conditions required to be disclosed by OMB Circular No. A-133.
- v. The type of report the auditor issued on compliance of major federal awards was unqualified.
- vi. The audit disclosed no audit findings which the auditor is required to report under OMB Circular No. A-133, Section .510(a).
- vii. The major federal awards are:
 - CFDA #10.665 Schools and Roads (National Forest Land)
 - CFDA #93.600 Head Start
 - CFDA #10.550 Commodities
 - Child Nutrition Cluster:
 - CFDA #10.555 National School Lunch Program
 - CFDA #10.553 School Breakfast Program
 - CFDA #10.559 Summer Food Program for Children
- viii. The dollar threshold used to distinguish between Type A and Type B programs as defined in OMB Circular No. A-133, Section .520(b) was \$417,753.
- ix. The auditee qualifies as a low-risk auditee under OMB Circular No. A-133, Section .530.



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075
Monroe, LA 71211-6075

2414 Ferrand Street
Monroe, LA 71201

Phone: (318) 388-4422
Fax: (318) 388-4664

Toll-free: (888) 741-0205
www.allengreencpa.com

Tim Green, CPA

Margie Williamson, CPA

Ernest L. Allen, CPA
(Retired)
1963 – 2000

Management Letter

Board Members
Vernon Parish School Board
Leesville, Louisiana

In planning and performing our audit of the financial statements of the Vernon Parish School Board, for the year ended June 30, 2002, we considered the School Board's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

However, during our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated September 13, 2002, on the financial statements of the School Board. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

02-M1 **Bidding Advertisement**

Comment: There are certain state requirements concerning advertisements for bids. If a bid is for a public works contract, then the bid must be placed once a week for three different weeks. The School Board advertised for a public works contract for three different times in one week.

Recommendation: The School Board should develop procedures to ensure that bidding processes are followed according to state regulations.

Management's response: The School Board had a new purchasing agent who misunderstood the bidding process of three bids over a three-week period and ran the bid advertisement three times in the same week. He currently understands and will follow the correct procedures in the future.

02-M2 **Fixed Assets Inspections**

Comment: The School Board's fixed asset log should be maintained on a current basis to ensure all assets are recorded accurately and in the proper location. During the fixed asset inspection, out of twenty assets inspected, there were seven items that were not located.

Recommendation: The School Board should develop procedures to maintain the fixed asset listing on a current basis such as quarterly make changes. The School Board may want to do an annual random inventory inspection.

Management's response: The School Board will immediately conduct an audit of all fixed assets and will make every effort to account for all items. It will strive to maintain a more accurate system in the future.

02-M3 **Student Activity Funds**

Comment: All Vernon Parish Schools are using a software to maintain financial statements and bank reconciliations. However, there is no way to tie bank reconciliations back to general ledger balances. The system only uses the bank balance and bank information rather than reconciling back to the general ledger or checkbook balance.

Recommendation: The School Board should contact the current software provider to determine if changes can be made to create a more accurate reconciliation. However, if this is not possible then other means of reconciling bank to books should be explored (i.e., manual reconciliations, new software, etc.).

Management's response: The School Board has purchased and is currently piloting a new software package to eliminate this problem.

* * * * *

Also included immediately following this letter is a status of prior management letter items. This information has not been audited by Allen, Green & Williamson, LLP, and no opinion is expressed. However, we did follow-up on prior management letter items and performed procedures to assess the reasonableness of the status of prior management letter items prepared by the auditee, and we would report, as a current-year management letter item when Allen, Green & Williamson, LLP, concludes that the status of prior management letter items materially misrepresents the status of any prior management letter item.

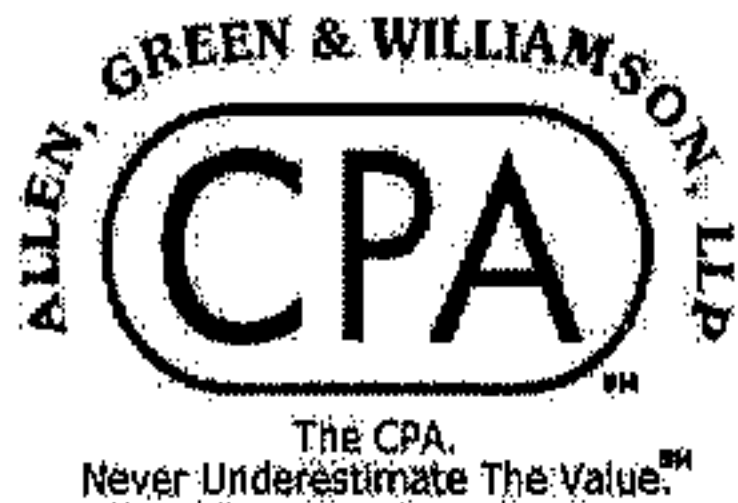
Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended solely for the information and use of the Board, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
September 13, 2002



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075
Monroe, LA 71211-6075

2414 Ferrand Street
Monroe, LA 71201

Phone: (318) 388-4422
Fax: (318) 388-4664

Toll-free: (888) 741-0205
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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board Members
Vernon Parish School Board
Leesville, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Vernon Parish School Board, Leesville, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of the School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the reports. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

Total General Fund Instructional Expenditures,

Total General Fund Equipment Expenditures,

Total Local Taxation Revenue,

Total Local Earnings on Investment in Real Property,

Total State Revenue in Lieu of Taxes,

Nonpublic Textbook Revenue, and

Nonpublic Transportation Revenue.

No exceptions were noted.

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1.

No exceptions were noted.

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

No exceptions were noted.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

We noted one instance where the PEP report shows the teacher with a bachelor's degree but the teacher does not have a bachelor's degree.

Response: The teacher in question is a ROTC instructor. As such he is listed on the PEP report as a teacher and therefore must have at least a bachelor's degree or it generates an error. Since the teacher's salary is not based on a college degree this does not affect salary, only PEP reporting.

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title 1 Grants to Local Educational Agencies (CFDA 84.010) application and/or the National School Lunch Program (CFDA 10.555)

No exceptions were noted.

Experience of Public Principals and Full-time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

No exceptions were noted.

Public Staff Data (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

No exceptions were noted.

8. We recalculated the average salaries and full-time equivalents reported in the schedule.

No exceptions were noted.

Class Size Characteristics Schedule 6)

9. We obtained a list of classes by school, school type, and class size as reported on the schedule and reconciled school type classifications to Schedule 3 data, as obtained in procedure 5. We then traced a random sample of ten classes to the October 1 roll books for those classes and determined if the class was properly classified on the schedule.

No exceptions were noted.

Louisiana Educational Assessment Program (LEAP) for the 21st century (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

No exceptions were noted.

The Graduation Exit Exam for the 21st Century(Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

No exceptions were noted.

The Iowa Tests(Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the School Board.

No exceptions were noted.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Vernon Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Allen, Green & Williamson, LLP

ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
December 18, 2002

Schedule 1**VERNON PARISH SCHOOL BOARD
Leesville, Louisiana****General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources
For the Year Ended June 30, 2002****General Fund Instructional and Equipment Expenditures**

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	22624437	
Other Instructional Staff Activities	3378221	
Employee Benefits	7163802	
Purchased Professional and Technical Services	242300	
Instructional Materials and Supplies	1516999	
Instructional Equipment	274067	
Total Teacher and Student Interaction Activities		35199826

Other Instructional Activities		285397
--------------------------------	--	--------

Pupil Support Activities	2404186	
Less: Equipment for Pupil Support Activities	3453	
Net Pupil Support Activities		2400733

Instructional Staff Services	1743088	
Less: Equipment for Instructional Staff Services	0	
Net Instructional Staff Services		1743088

Total General Fund Instructional Expenditures		39629044
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Total General Fund Equipment Expenditures		386925
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Certain Local Revenue Sources**Local Taxation Revenue:**

Constitutional Ad Valorem Taxes	299042
Renewable Ad Valorem Tax	1658763
Debt Service Ad Valorem Tax	1216182
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	89591
Sales and Use Taxes	7260026
Total Local Taxation Revenue	<u>10523604</u>

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	112
Earnings from Other Real Property	8020
Total Local Earnings on Investment in Real Property	<u>8132</u>

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	44906
Revenue Sharing - Other Taxes	247679
Revenue Sharing - Excess Portion	0
Other Revenue in Lieu of Taxes	0
Total State Revenue in Lieu of Taxes	<u>292585</u>

Nonpublic Textbook Revenue0**Nonpublic Transportation Revenue**0

Schedule 2**VERNON PARISH SCHOOL BOARD
Leesville, Louisiana****Education Levels of Public School Staff
As of October 1, 2001**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certificated		Uncertificated		Certificated		Uncertificated	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	0	0	0	0	0	0	0	0
Bachelor's Degree	443	76	113	97	0	0	0	0
Master's Degree	90	15	4	3	15	35	0	0
Master's Degree + 30	49	8	0	0	26	60	0	0
Specialist in Education	3	1	0	0	2	5	0	0
Ph. D. or Ed. D.	1	0	0	0	0	0	0	0
Total	586		117		43		0	0

Schedule 3

**VERNON PARISH SCHOOL BOARD
Leesville, Louisiana**

**Number and Type of Public Schools
For the Year Ended June 30, 2002**

Type	Number
Elementary	9
Middle/Jr. High	1
Secondary	5
Combination	5
Total	20

Note: Schools opened or closed during the fiscal year are included in this schedule.

Schedule 4**VERNON PARISH SCHOOL BOARD
Leesville, Louisiana****Experience of Public Principals and Full-time Classroom Teachers
As of October 1, 2001**

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	3	4	6	4	5	22
Principals	0	0	0	0	7	6	8	21
Classroom Teachers	82	79	205	94	84	61	98	703
Total	82	79	208	98	97	71	111	746

Schedule 5**VERNON PARISH SCHOOL BOARD
Leesville, Louisiana****Public School Staff Data
For the Year Ended June 30, 2002**

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teachers' Salary Including Extra Compensation	\$31,961	\$31,915
Average Classroom Teachers' Salary Excluding Extra Compensation	\$31,530	\$31,583
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	696.81	693.81

Note: Figures reported include all sources of funding (i.e., federal, state, and local) but exclude employee benefits. Generally, retired teachers rehired to teach receive less compensation than non-retired teachers and ROTC teachers receive more compensation because of a federal supplement. Therefore, these teachers are excluded from the computation in the last column. This schedule excludes day-to-day substitutes and temporary employees.

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Class Size Characteristics
As of October 1, 2001

School Type	Class Size Range							
	1 - 20		21 - 26		27 - 33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	30	126	67	281	4	15	0	0
Elementary Activity Classes	31	33	44	47	12	13	14	15
Middle/Jr. High	27	38	30	43	43	61	0	0
Middle/Jr. High Activity Classes	4	1	25	6	46	11	25	6
High	54	362	34	226	12	83	0	0
High Activity Classes	53	46	22	19	17	15	8	7
Combination	77	306	16	62	8	31	0	0
Combination Activity Classes	48	31	22	14	12	8	19	12

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band, and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

Schedule 7

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Year Ended June 30, 2002

District Achievement Level Results	English Language Arts						Mathematics					
	20X2		20X1		20X0		20X2		20X1		20X0	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	34	4	14	2	23	3	21	3	17	2	10	1
Proficient	181	23	167	20	140	17	122	16	144	17	116	14
Basic	378	49	436	52	381	46	410	53	457	55	363	44
Approaching Basic	148	19	160	19	192	23	152	20	139	17	204	24
Unsatisfactory	36	5	57	7	95	11	72	9	77	9	138	17
Total	777		834		831		777		834		831	

District Achievement Level Results	Science						Social Studies					
	20X2		20X1		20X0		20X2		20X1		20X0	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	27	3	26	3	11	1	10	1	12	1	13	2
Proficient	127	16	133		124	15	90	12	101	12	105	13
Basic	443	57	430	52	417	50	486	63	482	58	449	53
Approaching Basic	161	21	217	26	216	26	140	18	168	20	157	19
Unsatisfactory	19	2	28	3	63	8	51	7	71	9	107	13
Total	777		834		831		777		834		831	

Schedule 7

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

Louisiana Educational Assessment Program (LEAP) for the 21st Century
For the Year Ended June 30, 2002

District Achievement Level Results	English Language Arts						Mathematics					
	20X2		20X1		20X0		20X2		20X1		20X0	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	16	2	2	0	9	1	14	2	11	2	18	4
Proficient	161	23	131	20	138	22	27	4	35	5	39	6
Basic	277	40	307	47	307	48	367	52	391	59	352	55
Approaching Basic	198	28	176	27	148	23	187	27	136	21	129	20
Unsatisfactory	48	7	44	6	33	6	110	16	88	13	97	15
Total	700		660		635		105		661		635	

District Achievement Level Results	Science						Social Studies					
	20X2		20X1		20X0		20X2		20X1		20X0	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	9	1	5	1	5	1	6	1	10	2	7	1
Proficient	137	20	117	18	128	20	103	15	128	19	127	20
Basic	283	41	341	52	272	43	367	53	332	50	328	52
Approaching Basic	190	27	135	20	170	27	143	21	120	18	115	18
Unsatisfactory	76	11	62	9	60	9	75	11	70	11	58	9
Total	695		660		635		694		660		635	

Schedule 8

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

The Graduation Exit Exam for the 21st Century
For the Year Ended June 30, 2002

District Achievement Level Results	English Language Arts						Mathematics					
	20X2			20X1			20X2			20X1		
	Number	Percent		Number	Percent		Number	Percent		Number	Percent	
Grade 10												
Advanced	10	2	0	0	0	N/A	28	5	16	3	N/A	N/A
Proficient	88	15	73	13	N/A	N/A	91	15	94	16	N/A	N/A
Basic	208	49	283	48	N/A	N/A	244	41	261	44	N/A	N/A
Approaching Basic	103	18	151	26	N/A	N/A	91	15	91	16	N/A	N/A
Unsatisfactory	91	15	76	13	N/A	N/A	138	23	121	21	N/A	N/A
Total	572		583				592		583			

District Achievement Level Results	Science						Social Studies					
	20X2			20X1			20X2			20X1		
	Number	Percent		Number	Percent		Number	Percent		Number	Percent	
Grade 11												
Advanced	9	2	N/A	N/A	N/A	N/A	4	1	N/A	N/A	N/A	N/A
Proficient	85	17	N/A	N/A	N/A	N/A	55	11	N/A	N/A	N/A	N/A
Basic	220	44	N/A	N/A	N/A	N/A	265	52	N/A	N/A	N/A	N/A
Approaching Basic	105	21	N/A	N/A	N/A	N/A	100	20	N/A	N/A	N/A	N/A
Unsatisfactory	86	17	N/A	N/A	N/A	N/A	81	16	N/A	N/A	N/A	N/A
Total	505						505					

Schedule 9

VERNON PARISH SCHOOL BOARD
Leesville, Louisiana

The IOWA Tests
For the Year Ended June 30, 2002

	Composite		
	20X2	20X1	20X0
Test of Basic Skills (ITBS)			
Grade 3	62	59	58
Grade 5	58	57	55
Grade 6	62	60	63
Grade 7	57	57	58
Tests of Educational Development (ITED)			
Grade 9	56	62	59

Scores are reported by National Percentile Rank. A student's National Percentile Rank shows the student's relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. A student with a score of 72 indicates that the student scored the same of better than 72 percent of the students in the norm group.